

This decision may be altered, and Mount Forest made the terminus of the first section, by the Municipalities concerned voting the amounts of bonuses, as required by the Company.

In either case the capital derivable from bonuses will be about the same per mile. Arrangements to complete the remaining sections of the Railway through the Counties of Bruce and Grey, will be prosecuted with unremitting vigour, as soon as the first section is fairly under construction.

The Garafraxa Road, the great highway from Owen Sound, through the Counties of Grey and Wellington to Guelph; and the other great highway, the Elton and Saugeen Road, from Southampton, through the Counties of Bruce and Wellington, ultimately uniting with the Garafraxa Road, passes within from 5 to 8 miles of the proposed terminus of the first section of the Railway, to connect with which a gravel road will be built; while the Toronto and Sydenham gravelled road, from Chataworth, intersecting the Durham and Collingwood road, reaches to within twelve or fifteen miles of the Orangeville station, and when completed, together with the others, assures to the Toronto, Grey and Bruce Railway the traffic of the whole heart of the North-western peninsula.

The bulk of the products of the great Counties of Bruce and West Grey is shipped by water, on account of the distance from the Grand Trunk Railway, only a part being moved in the autumn, the principal portion being marketed and stored, during winter, at the ports on the shores of Lake Huron and the Georgian Bay. At four of these points there are now stored a quarter of a million bushels, while the aggregate at all the points amounts to about 500,000 bushels.

The loss of interest on the capital thus invested, together with the proportionately lower prices paid for produce during winter in these remote districts, are serious drawbacks to their prosperity.

The distance deprives producers of the facilities afforded by the Grand Trunk Railway, and the Montreal Steamship line for moving, in winter, produce to markets, as well as of the very great advantage of Railway communication to the flourishing city of Toronto, (the best distributing point, either in winter or summer,) and now the capital of Ontario.

The total area between the Grand Trunk and the Northern Railway of Canada is 6,800 square miles; of the richest and most fertile land in Canada. The Toronto, Grey and Bruce Railway will intersect this district, about midway between the two other Railways, and when completed will confer immense benefits on the people in that district, while it is quite evident that the general business which will be brought to the city of Toronto, (exclusive of through traffic) will equal that brought to it by all the other Railways.

The Toronto, Grey and Bruce Railway will obtain a much larger passenger, grain, cattle, and first-class goods traffic than the Northern Railway; while the sawn pine, which must be imported to supply the absence of that building material, and the export of square hardwood timber, sawn oak, elm, cherry, &c., staves, bark, fencing, and cordwood (fuel), will afford a very large and remunerative business to the Toronto, Grey and Bruce Railway.

The Freestone and other stone used for building material in Toronto are now imported from Cleveland or Kingston. On the route of the T. G. & B. R. there are, near Orangeville, extensive quarries of the very best soft and hard brown and white freestone, which will be in great request for export and general city building purposes. The advantage to the Railway, and this city, of these quarries, are not yet generally appreciated.

The subjoined tables of the traffic of the Northern Railway will serve to illustrate the local business of a railway 95 miles long, through an average country in Canada.

#### IN 1861

The Local Traffic of the Northern Railway of Canada amounted to

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| Through.....                                                         | 120,000 tons. |
| Passengers.....                                                      | 25,000        |
| Local Receipts.....                                                  | 100,618       |
| Through.....                                                         | \$362,507     |
| Running expenses.....                                                | 48,432        |
| Excess of earnings over running expenses on local traffic.....       | \$410,939     |
| Do, on Through Traffic.....                                          | 68 per cent.  |
| Local earnings equal to 8½ per cent. on a cost of \$15,000 per mile. |               |
| Or 12½ on \$10,000 per mile.                                         |               |

#### 1864.

|                                                                        |               |
|------------------------------------------------------------------------|---------------|
| Local Traffic.....                                                     | 180,700 tons. |
| Through Traffic.....                                                   | 8,344 "       |
| Passengers.....                                                        | 104,316       |
| Local Receipts.....                                                    | \$452,382     |
| Through.....                                                           | 14,884        |
| Running expenses.....                                                  | \$467,266     |
| Excess of earnings over running expenses on local traffic.....         | 52 per cent.  |
| Do, on through traffic.....                                            | 217,143       |
| Local earnings equal to 15-2-5 per cent. on a cost of \$15,000 a mile. | 7,144         |
| Or 23½ per cent. on \$10,000 per mile.                                 |               |

#### 1868.

|                                                                |               |
|----------------------------------------------------------------|---------------|
| Local and Through Traffic.....                                 | 194,583 tons. |
| Passengers.....                                                | 138,965       |
| Local Receipts.....                                            | \$537,380     |
| Through.....                                                   | 12,690        |
| Running expenses.....                                          | \$550,070     |
| Excess of earnings over running expenses on local traffic..... | 61 per cent.  |
| Do, on Through Traffic.....                                    | \$209,578     |
| Or equal to 14½ per cent. on \$15,000 a mile (local earnings.) | 4,949         |
| Or 22½ per cent. on \$10,000 per mile.                         |               |

|              | Running Expenses Per cent. | Local Tonnage. | Through Tonnage. | Total Tons. | Passengers. | Local Receipts Gross. | Through Receipts Gross. | Total Receipts Gross. | Local Receipts Nett. | Through Receipts Nett. | Dividend on \$15,000 a mile. Local. | Dividend on \$15,000 a mile. Through. |
|--------------|----------------------------|----------------|------------------|-------------|-------------|-----------------------|-------------------------|-----------------------|----------------------|------------------------|-------------------------------------|---------------------------------------|
| 1861.....    | 68                         | 120,000        | 25,000           | 145,000     | 106,618     | \$362,507             | \$48,432                | \$410,939             | \$115,982            | \$15,498               | 8-1-3                               | 1-1-10                                |
| 1864.....    | 62                         | 180,700        | 8,344            | 189,044     | 133,516     | \$452,382             | 14,884                  | \$467,266             | \$217,143            | 7,144                  | 15-2-5                              | 1-2                                   |
| 1868.....    | 61                         |                |                  | 194,583     | 138,965     | \$537,380             | 12,690                  | \$550,070             | \$209,578            | 4,949                  | 11-7-8                              | 1-3                                   |
|              |                            |                |                  | 528,629     | 349,929     | \$1,352,269           | \$70,006                | \$1,422,275           | \$542,703            | \$27,591               | 12-5-6                              | 2-3                                   |
| Average..... |                            |                |                  | 176,209     | 116,643     | 450,756               | 25,335                  | 476,091               | 180,901              | 9,197                  | 12-5-6                              | 2-3                                   |

From the above data it will be seen that the Northern Railway carried an average for those three years of 176,209