

In introducing my remarks on the Report I engaged to limit them to a few only of the most salient of the mistakes, oversights, and consequent fallacies which crop out, invitingly for the critic, on almost every page. I must redeem my pledge: but will first take permission to lay down a few dry aphorisms, as articles in that creed which the Traffic Manager of the Grand Trunk Railway, though a new man were to fill the office every year, will sooner or later have to rehearse.

1st.—LOCAL TRAFFIC always must have, as it always has had, a preference over *Foreign* Traffic. It pays best, and it is in its interests that the most expensive portion of the costly machinery and organization of the line has to be maintained. But he who would lecture with effect on those two sources of railway revenue must approach his subject with all narrow and sectional feelings laid aside, remembering that, among railways, the Grand Trunk of Canada, so called, has, in its geographical features at all events, no parallel. The terms "local" and "foreign" must be construed in a sense widely different from that which, at school, he was taught to attach to them. To the Manager of the Grand Trunk Railway the citizen of the United States, in Michigan at one end of the line, and in Maine at the other, must be as much a "local" customer as the subject of Her Majesty between. The flour which the Merchant in Detroit sends to the Lumberman in Portland must have no "foreign" taint in his nostrils. Unless this *law* be recognized it is in vain to preach about working the Grand Trunk on "commercial principles", as the Liverpool cant phrase runs: and if, after the fashion set by the Government Commissioners, the part which this Province has had in the undertaking is to be for ever dragged forward to hamper it with an invidious nationality the Government loan, so far from being a boon, can only be looked upon as a curse, clogging continually the legitimate working of the machine.

2nd.—THROUGH or FOREIGN TRAFFIC will continue to be done, in annually increasing amount, as the means of doing it are supplied and perfected, even though the Government Commissioners should sit *en permanence* and perennially proscribe it as one of the "CAUSES OF THE SMALL RETURNS." That it has injuriously affected the returns so far can be true in reference to its absence only, for it has heretofore formed but a very minor element in the receipts of the road. The earnings of the Detroit line are an exact index of what the far-western business of the whole Grand Trunk amounts to, and they show that that class of freight has never yet attained to the dimensions of one-fifth part of our total merchandise traffic. The more complete and perfect the means for doing local business the more easily and profitably can we take the "foreign," which, with the line fully equipped for the fullest local wants, would flow to us nearly as so much gain. We can calculate with tolerable accuracy the *ratio* in which our local business must increase, and we know that it cannot be in extraordinary proportions, or of much more rapid growth than the growth of the country itself. We know, too, that we must not reckon on having every year in Canada, so redundant a crop as that of 1860, and we believe that were "foreign" business to be wholly spurned now, when plenty is in our borders, we might some day have to call it when it would not answer.