

COMPARATIVE ADVANTAGES.

We have an advantage as compared with the Erie-Hudson route of some 80 miles in the total distance from Lake Erie to the ocean port and a further one in the fact that there are 233 more miles of canal on their route and all the rest of theirs is river while ours is lake. On the other hand, however, they have, and in some measure always will have, an advantage over us in cheaper ocean freight rates and lower insurance. There have been times when the difference in ocean freight rates on grain as between New York or Montreal and Liverpool has been as much as five cents per bushel in favor of the American port. As has already been intimated, the difference between the advantages of the two routes is so slight that a trifling toll of one half cent per bushel and a comparatively unimportant tonnage tax sufficed to turn the scale in favour of our rivals.

WHAT OUR RIVALS ARE DOING.

In the hope and with the expectation that they will be able to take from us a very considerable share of our legitimate North West trade, our neighbors are spending upwards of 100 millions in deepening and improving the Erie Canal, and propose to deepen and improve the channel of the Hudson from Troy to Coxsackie and expect to have the whole completed and open to navigation within five years. This will give them a waterway 12 feet deep from Lake Erie to a point 28 miles below Albany, instead of their present 6-foot canal, while the locks will be correspondingly enlarged. It is true that, when complete, the new Erie will still be only a barge canal, but the barges will have four times the capacity of those now in use, and owing to the enlargement of the lock basins the time consumed in locking will be greatly reduced; besides barges cost but little, are cheaply navigated, and are an economical means of transportation. It is esti-