

our unrivalled water communication what nature evidently designed it to be, the great highway for Western products to the seaboard.

We have already spent some fourteen millions upon our canal system. When this large expenditure was authorised, it was confidently expected that we would secure a large share of Western traffic. This was the object—the laudable end—we had in view. There is no denying the fact that, whilst our money has been spent, our expectations have not yet been realised. According to Mr. McGivern, no less than from 120,000,000 to 130,000,000 bushels of grain are shipped from the West to the seaboard every year, and of this vast quantity, only some 12,000,000 bushels annually make use of the St. Lawrence and our admirable canals. The question naturally arises—how is this? Our route to the Atlantic has many natural advantages over that of the United States. From Buffalo to New York is 600 miles, of which 310 are canal, having no less than 71 locks, and requiring 14 days in the passage. From Port Colborne, at the mouth of the Welland Canal, to Quebec, is 648 miles, having only 72 of canal and 25 locks, and requiring only from three to four days to make the trip. In point of expense the contrast is also very favourable to us. By the American route the cost of transporting a bushel of wheat from Buffalo to the seaboard is as follows: canal tolls 6½c, shipping charges, elevating, &c. 3½c, freight 9c, making a total of 19c. per bushel. Were our canals rendered large enough to pass through vessels capable of carrying 35,000 bushels, according to the member for Lincoln's figures, the cost of transportation from Port Colborne to Quebec would be freight 6c., tolls 1½c, elevating and all other charges 1c., making a total of 8½c, showing a difference in favour of the Canadian route of 10½c on every bushel of wheat. These are great advantages possessed over the water communication by the Erie Canal, and it requires no great arithmetical skill to perceive, that 8c. or 10c. saved on the transportation of each bushel of produce raised by Western farmers, would place millions of dollars in their pockets annually. The question recurs, then, more forcibly than ever: how comes it that the Americans do not use the St. Lawrence route more extensively when it possesses so many advantages over their own?

Mr. McGivern answers this question by demanding the enlargement of the Welland and St. Lawrence Canals. He contends that they must be enlarged sufficiently so that ocean vessels can pass freely up and down. By this means, we would soon have fleets making regular trips from the Lake Cities of the United States, down the St. Lawrence to Europe, and the great disparity which there would be between the time and expense in favour of our route over that through the State of New York, must soon inevitably secure (at least) one-half of all the immense traffic of the great Western granary of this Continent.

Mr. Shanly agreed with the member for Lincoln as to the propriety of enlarging the Welland Canal, but expressed his opposition to all his other recommendations—and objecting wholly to the premises upon which his argument was built. He contended that our canal system was erroneous in its inception; that it was based on the belief that Europe would be the great market for Western produce, whereas the Atlantic States, which did not pretend to supply themselves with agricultural productions, were the principal markets of the Western people. Our canal policy would, it was urged, always remain a failure until we made the transportation of Western produce to the Eastern States our great consideration; and to attain that end, the deepening of the St. Lawrence Canals was not needed, but the extension of our canal system to Lake Champlain, which would enable us to lay down shipments at Burlington and Whitehall more speedily and more cheaply than it is possible to do at Albany by the Erie Canal.

There is much force and truth in the views of both these gentlemen and they are not necessarily antagonistic. There are two great markets for Western productions—that of the Atlantic States and Europe. Which market at present consumes the most, or which may do so in the future, matters little to the argument. They both necessitate cheap and rapid water communication. We are in a position to supply both with this important requisite, and a truly liberal and far-sighted Canal policy will keep both in view. Mr. Shanly would seem to be in favor of the idea, as Mr. McGivern is against it, that all grain should be transhipped at Montreal. Public opinion is still much divided on this point, some contending that ocean vessels could not economically be navigated through

canals and chain of lakes; whilst others as strongly urge that until vessels can sail direct from Chicago to Liverpool and back, we can never expect the St. Lawrence route to be much used. Mr. Aspinwall, of Detroit, a gentleman who has given this question much consideration, and Western shippers generally, are understood to be in favor of making all the canals large enough for sea-going vessels. The former gentleman has expressed himself decidedly against the necessity or advantage of transshipment. There are many other gentlemen, however, of high commercial standing, who hold that it will always be cheaper and better to bring produce to Montreal in the easily-managed lake craft, and that all the expense of transshipping to Ocean vessels would be more than counterbalanced by the advantage to the grain or other produce so handled.

This is a point of much interest to Canada, and one which should be carefully enquired into by Government before the improvement of our canals is gone on with. If it be that lake craft are quite as useful as ocean vessels would be in trading between the cities which cluster around our beautiful lakes, and Montreal and Quebec, then the further enlargement of the St. Lawrence canals would almost be money thrown away. On the other hand, if the canals require to be made large enough for ocean vessels, in order to attract the Western trade, no local or other considerations should stand in the way of the accomplishment of a work which the Province at large would find of so much value.

The views advanced by Messrs. McGivern and Shanly are by no means new, but the latter gentleman's argument in favour of a canal to Lake Champlain was forcibly put, and in a way most likely to elicit attention from the country. There can be no difference of opinion regarding the destination of the vast quantities of freight which pass through the Erie Canal annually, by far the larger portion goes no further than the Boston, New York, and other Eastern markets. It is the produce consumed in the Atlantic States, and not in Europe, that so crowds up the American route. We have no share in this carrying trade at all, and the argument seems very fair and just, that if our canal system were extended to Lake Champlain, our splendid water communication would soon be crowded with vessels engaged in this trade! This is a result well worthy of the consideration of our legislators, but we do not see that it clashes with, or is at all antagonistic to the project of rendering our canals capable of passing ocean vessels direct from Chicago to Europe, and building up a direct trade between these two distant points.

There is no likelihood of this question being disposed of until our new Confederacy is fully established. According to the stipulations agreed upon at the Quebec Conference, the Government of British America will thus consider it. We may confidently expect Confederation to be *un fait accompli* before this time next year, and it is a safe calculation that before 1870 the enlargement of our canal system will be near completion. Although the appointment of a Select Committee may not have been advisable at the present time, we submit that when the Confederate Parliament meets, it would be a very desirable way to proceed in the matter. The question of the Ottawa and Georgian Bay Canals—in fact, the whole canal policy of the country—would properly come under consideration, and it is to be hoped that the exertions of the Committee would result in rendering the St. Lawrence the principal route to the Atlantic at the smallest possible expense.—Communicated.

#### IMPORTANT DECISION AS TO THE LIABILITY OF TELEGRAPH COMPANIES. COURT OF COMMON PLEAS, NEW YORK. (BEFORE JUDGE DALY.)

**EDWARD De Rutte** vs. the New York, Albany and Buffalo Electro Magnetic Telegraph Company.—This was an action brought against the defendants for damages for the incorrect transmission of a message sent from New York by the defendants's line to plaintiff in San Francisco, California.

The case was tried by Judge Daly and a jury, and a verdict rendered for the plaintiff. The General Term affirmed the judgment, and the following is a summary of the opinion delivered by Judge Daly. First Judge:—

The plaintiff was a Commission Merchant, doing business in San Francisco, California. He had a brother, Theophilus De Rutte, who was his agent and correspondent at Bordeaux, in France, but who had other

wise no interest in the plaintiff's business. T. De Rutte procured from Callardon & Labourdette, Bankers, of Bordeaux, an order for the plaintiff to purchase for them a cargo of wheat in California, at the extreme limit of twenty-two francs the hectolitre, which is the French official measure for grain. The plaintiff was to purchase and ship the grain to Callardon & Labourdette immediately, his commission and the mode of his reimbursements to be the same as in a previous order which he had received from another Bordeaux firm, one of the partners of which was named Monod. Upon receiving the order, Theophilus De Rutte prepared a telegram in these words:—

"Edward De Rutte, San Francisco, buy for Callardon & Bourdette, bankers, a ship-load of five or six hundred tons of white wheat, first quality, extreme limit twenty-two francs the hectolitre, landed at Bordeaux, same conditions as the Monod contract."

"TH. DE RUTTE"

He enclosed this despatch to Julius Lorrimer, a merchant of New York, with instructions to send it to the plaintiff in the quickest manner, and to debit the plaintiff with the charges. A clerk of Lorrimer copied the message upon a slip of paper, and took it to the telegraph office of the defendant, where he gave it to a clerk to whom he paid \$21.50 for its transmission to San Francisco. The defendants have printed blanks in their offices upon which messages are written, containing a notice, that to guard against mistakes, every message ought to be repeated, for which half the price will be charged; and that they will not be responsible for mistakes or delays in transmission of repeated messages from whatever cause they may arise. It does not appear that any such blanks were used in this case, nor was it shown that Lorrimer, clerk or his principal knew of the regulation.

It was shown that the defendant's line extends from New York to Buffalo, where it connects with other lines and a Pony Express to San Francisco.

The message was transmitted correctly by the defendant's line, and by the connecting lines to St. Louis, but when delivered to the plaintiff at San Francisco there were several errors. Th. De Rutte was charged to Thos. De Rutte, Monod contract to monied contract, hectolitre to pretolitre, and twenty-two to twenty-five francs.

The plaintiff was not misled as to three of the alterations. He understood the abbreviation Thos. to mean Theophilus, the words monied contract to mean Monod contract, and pretolitre to mean hectolitre. The words twenty-five francs, however, he assumed to be correct, but before acting upon the message, he tried as he said, to get a copy of the despatch from the Telegraph Company at San Francisco, but they stated that they could not furnish it. Grain could be purchased in San Francisco at that time, at a price which would admit of its being landed at Bordeaux, charges included, at twenty-four to twenty-five francs the hectolitre, but not at twenty-two, and the plaintiff accordingly purchased the requisite quantity, and chartered a vessel for its shipment to Bordeaux, when he received from New York, twenty days after the dispatch, the letter which his brother had written advising him that the extreme limit was twenty-two instead of twenty-five francs. As a further assurance, on receiving this letter, he had the despatch repeated after which he sold the wheat at the cost price, less commission, storage and interest, and after several day's effort, he succeeded in getting rid of the charter party by the payment of \$1,600 in gold, and he paid the wharfage of the vessel, and the brokerage fees upon the re-charter, making in all, with the commission, storage and interest, the sum of \$2,094 61, for which the plaintiff recovered judgment.

Defendants asked the court to reverse this judgment on several grounds, first, that their contract was to transmit the message from New York to Buffalo and deliver it there to the connecting line, which they did. That the State Statute Laws of New York, make it their duty to receive from and for other telegraph lines, and that where they transmit and deliver a message correctly to a connecting line they are not answerable for errors occurring afterwards.

In respect to this plea, the court hold that the rule must be applied to them, that is applied to a common carrier who receives the whole compensation for the carriage of a package addressed to a place beyond the limits of his own route: that is, that he engages for the due delivery of the package at the place of destination, unless he expressly limits his responsibility to his own route; or the circumstances are such as to clearly indicate that that was the understanding of the contracting parties.