

remove the tolls to commerce from Lake Ontario to Montreal, as it has done seaward of Montreal, there can be deducted from total cost of transportation from the Great Lakes to Liverpool by this route 20 to 22 cents per ton. The Hurontario route to Liverpool will then compare with the all-rail route via New York as \$3.26 per ton is to \$6.74, that is, less than one-half the cost by rail, or a saving to commerce in one year on 8,000,000 tons of traffic, of more than the entire estimated cost of preparing the enlarged water-way from the foot of Lake Ontario to the sea.

The competition in English and other importing markets of Europe between the wheat of our Northwest, the Pacific Coast, India, Russia and the Argentine is so close, that a substantial advantage in cost of transportation like the above to both Canadian and United States cereal producers will at once work a revolution in trade, and lead to an important development of agricultural products and to a material prosperity over the 450,000 square miles, comprising the basin of the Great Lakes, and extending to the lands outside and remote from it, but capable of reaching, by rail or water routes, its seaports, as the great cities of the lake will then be.

SHIP RAILWAY DISCUSSION.

The author has, without any hesitation, placed on an equality, as transportation methods, the ship railway and the ship canal. The former he considers superior in many respects.

1st. The cost of construction at each special location is more than 50 per cent. less than the cost of a ship canal to handle the same class of vessels and an equal amount of traffic.

2nd. The cost of operation and maintenance will be less.

3rd. The rate of speed will be greater, and there will be much less detention *en route*.

These features have been brought out fully in the plans of the Tehuantepec and Chignecto Ship Railways, and in the discussions which for ten years have been before the world, comparing the methods by railroad and barge canal and by ship railway and ship canal. The most extended, minute and careful examinations and investigations have been made. The results in the case of the Tehuantepec Ship Railway were:—

1st. The Mexican Government became so well assured of the practicability of the method, that it agreed to guarantee the interest on the cost of the railway up to \$1,200,000 per annum.