

Making a difference in favor of New York, over the Suez route, of only 265 miles, or a little more than 2 per cent. of the whole distance. The distance of 4,650 miles is the average between 4,500 miles to come to and 4,800 miles to go from San Francisco, as the course is necessarily different. The difference in favour of the Canadian route is shown by the following comparison:—

	Miles.
By way of Suez Canal.....	11,275
By way of { Yokohama to Coal Harbor.....	4,180
{ Coal Harbor to Montreal.....	2,911
Montreal. { Montreal to Liverpool.....	2,790
A total of.....	9,881
Making a difference in favor of Montreal of.....	1,394
(or more than 12 per cent. of the whole distance.)	

Let us take an average of 240 miles a day for a steamer making that trip. I know the great steamers average more than that; the Allan and Dominion lines have an average of 12 nautical miles; the grey hounds of the sea (as they are sometimes called) have a speed of 15 to 18 knots. But the Oriental trade is carried by steamers of less value. The fact that the Suez Canal is not safe for steamers drawing more than 20 feet or exceeding 350 feet in length, has prevented the use of very large steamers on that route. A steamer takes 45 days to go from Marseilles to Yokohama. It gives about 9 knots an hour for the 9,200 miles, taking three days for the passage through Suez Canal. For the whole voyage from Yokohama to Liverpool it takes 50 days, at about 10 miles an hour. From Yokohama to Liverpool *via* the Canadian Pacific, we have, taking the same average of steamers as those of the Suez Canal route:

Yokohama to Coal Harbor, 4,180 miles, at 10 knots an hour.....	17½ days
Coal Harbor to Montreal, 2,911 miles, at 30 miles an hour.....	4 "
Montreal to Liverpool.....	11½ "
	33 "
For freight trains (20 miles an hour) extra time.....	2 "
For transhipment of freight.....	4 "
	39 "

What do we find for the route *via* New York:

Yokohama to San Francisco, 4,470 miles	19½ days
San Francisco to New York, 3,320 "	5 "
New York to Liverpool, 3,040 "	12½ "
	36 "
For freight trains (20 miles an hour) extra time.....	2 "
Difference of grades, extra time.....	2 "
For transhipment of freight.....	4 "
	44 "

These figures will show clearly that whatever doubts might be raised about freight there can be none with regard to passengers, who will not only gain 17 days, but who will travel through a healthy and temperate zone. The difference of passenger rates by steamers or by rail is not marked. The average rate is about 3½ cents per mile for long distances. From Quebec to Liverpool, 2,630 miles, it varies from \$80 to \$100, or about 3 to 4 cents a mile; from New York to Liverpool, 3,040 miles, it is between \$90 to \$120, being also 3 or 4 cents a mile. From San Francisco to Yokohama, 4,470 miles, the fares are \$250, or about 5½ cents a mile. From Liverpool to Yokohama, by Suez, 11,275 miles, the price is £88—or \$428—or 3½ cents per mile. From Marseilles to Yokohama, 9,200 miles, the Messageries Maritimes are asking \$415, or 4½ cents per mile. From San Francisco to New York, the passenger rates are 3½ cents per mile—\$126 for the trip, exclusive of the cost of meals and sleeping car, which adds about ½ of a cent per mile. But very seldom does the charge of railway companies exceed 2½ cents per mile. Freight rates are altogether different; \$7 per ton of merchandise from Montreal to Liverpool is equal to ¼ of 1

cent per mile. From Marseilles to Yokohama the rates are \$40 per ton or 7/8 of 1 cent per mile. From Liverpool to Yokohama the ocean steamship company charges an average of ¼ of a cent per mile. Up to the last few years, freight rates for railways were 2 cents per ton per mile. Since then the rates have gone down considerably; the Union Pacific charges hardly 1 cent per ton. Between New York and Chicago the rates will soon reach ½ cent per ton per mile, grain being now carried between those two cities for \$48 per car load of 24,000 pounds, and I think I am safe in saying that those reduced rates are not likely to be increased in the future, every year adding to the experience already acquired in the methods of operating railways at a cheap rate. The following tabular statement gives us the average rates of all the freight of the last fifteen years on the railways mentioned, showing the gradual reduction on each road:—

	1868	1873	1883
	Cts.	Cts.	Cts.
New York Central.....	2.74	1.57	0.91
Pennsylvania.....	1.90	1.41	0.81
New York, Lake Erie & Western.....	1.81	1.45	0.78
Boston and Albany.....	2.81	1.95	1.19
Lake Shore & Michigan Southern.....	2.33	1.33	0.71
Michigan Central.....	2.45	1.89	0.83
Chicago, Burlington and Quincy.....	3.24	1.92	1.42
Chicago, Milwaukee and St. Paul.....	2.50	2.50	1.39
Illinois Central.....	2.20	1.43	
Pittsburg, Fort Wayne & Chicago.....	0.79	0.79	

Or an average, in 1883 of..... 1.055

These statements run up to 1st January, 1884. Since then the tariff rates have been continuously decreasing, as is shown by the following return for the year ending 31st December, 1884:—

Name of Company.	Length of Line.	Operations.	Cost per ton per mile.
Cleveland, Columbus, Cincinnati & Indianapolis R'y.....	391 miles.	Rec. \$ 3,600,346 Exp. 2,766,749	0ts.
		Profit. 843,597	0.633
Pennsylvania and New York Canal and Railway.....		Rec. 2,151,338 Exp. 1,541,794	
		Profit. 609,544	0.86
Northern Central Railway.....	323 miles.	Rec. 5,528,876 Exp. 3,468,394	
		Profit. 2,053,483	0.825
Chicago, St. Louis and Pittsburg Railway.....	636 miles.	Rec. 4,398,840 Exp. 3,602,213	
		Profit. 794,627	0.6
New York, Lake Erie and Western Railway.....	1,900 miles	Rec. 21,637,435 Exp. 16,358,077	
		Profit. 5,279,358	0.685
Lake Shore and Michigan.....			0.652
Michigan Central.....			0.646
New York, Chicago and St. Louis (Nickel Plate).....	523 miles.	Rec. 3,207,591 Exp. 2,389,234	
		Profit. 818,357	
Pennsylvania Railway:			
Main line.....	1,470 miles		
Philadelphia and Erie.....	287 "	Rec. 48,566,917	
Lines east of Pittsburg and Erie.....	2,201 "	Exp. 30,527,016	
New Jersey and branches.....	443 "	Profit. 18,039,901	

These tariff rates have yielded profits, as shown by the net earnings above mentioned. The fact that the New York, Chicago and St. Louis Railway has, during the past few weeks, passed into the hands of a receiver, is not an argument against the lowering of the rates, but it merely demonstrates the necessity or not increasing the cost of