

wheat alongside of the ocean ship in the harbour of Montreal ? It is true there might be exceptions to this. Every dealer in produce knows that the sailing ship and steamship owner keeps himself thoroughly posted, as to the quantity of grain and flour on hand here and on the way from Kingston, and having the game in his own hands, he puts on the screws, and demands any rate of freight he chooses. The merchant is helpless, and he is compelled to give whatever rate may be demanded. Hundreds of thousands of pounds have in this way been paid by the Montreal produce dealer, in extra freight, which could have been saved, if there was the check on excessive rates of freight, which the proposed Canal would give. The rate at Montreal could never be higher than the New York rate, with the charges of inland transport from Montreal to New York added, and if this option was in the hands of the shipper, the rate of freight could never be excessive at Montreal. The one party, however, gets rich ; while the other, as a class, becomes poor. It is no wonder, therefore, that these ship owners should be on hand, when the subject of this Canal is discussed. The foregoing extracts from the minutes of the Board shew, that up to 1854, Mr. Allan was warmly in favour of a Canal into Lake Champlain, but since that time, when he became an owner of steamers, he curiously enough condemns it.

The Canal might, and no doubt, would interfere with the rates of freight inwards, and would tend to reduce rates on all dry goods hardware, &c., from Liverpool to Montreal. The fact is well known that the present rates from Liverpool to Montreal, by steamships are so high, that many Toronto and Hamilton importers regularly bring their dry goods, &c., in the "Inman" and "Cunard" lines to New York, and after paying inland charges from New York to these cities, the cost from Liverpool is less than by the "Allan" line of steamers *via* Montreal. With the proposed Canal constructed, it must also be evident that the dry goods, hardware, and grocery merchants of Montreal would have it in their power of limiting the rates of freight from Liverpool to Montreal, to what might be the cost from Liverpool to New York, with the charges added to Montreal from New York. It is not, therefore, surprising that parties interested in the "Allan" line of steamships, should be so much interested in the proposed Canal, and should have changed