Grants of land should be made for railroads, canals, and improvement of the navigation, as by Congress for similar purposes in the United States.

If reasonable grants were made towards a railway from the western point of Lake Superior to Puget's Sound, near Vancouver's Island, all through British territory, no doubt the project would be as readily taken up by American and British capitalists, as the Illinois Central Railroad and Lake Superior Ship-canal were. When the Americans are disputing about the best of three lines through the States to the Pacific, the high road to China, a continuation of the Grand Trunk Railroad, might thus be made through British soil, nearly one-fourth of it being finished.

The trade of the great lakes is carried on by sailing vessels, propellers (screws), and paddle-steamers, from 300 to 2,000 tons burthen. The paddlesteamers are fitted up splendidly, (having a speed of 14 miles an hour, or more,) chiefly for passengers; the saloon of the "Great Metropolis," a boat launched in 1856, being 300 feet long. The propellers, with a speed of 10 to 12 miles an hour, are chiefly employed in freight; some of them carry 4,000 quarters of grain in their hold, besides several thousand barrels of flour, and other rolling freight on deck. Many clipper-schooners and barques are 170 feet keel, 32 beam, drawing with 700 tons only 10 feet water, provided with centre-boards, so that on a wind nothing can touch them drawing 20 feet. This class of vessels, drawing, half-loaded, 6 or 7 feet, was much wanted by our Government during the Russian war, as they could have gone up to St. Petersburg. In the Mexican war, the Americans, having no such vessels in their navy, chartered or purchased them at once, so that they got into the interior of the country by the Matamoras and other rivers. The registered shipping of the lakes may be about 400,000 tons American, and 90,000 tons British. vast field for the shipping, when the prairie lands of the Red River and Saskewatchan will be brought into cultivation, employing in a few years, under free trade, 500 to the one employed by the Company at present!

Last year the inhabitants of Red River, for the first time, left the Company's shop, and went to St. Paul, with 500 waggon-loads of produce and furs, returning with groceries, hardware, woollens, &c. 1200 waggons were to go in 1857.

This year several parties from Toronto, and other towns in Canada and the States, have gone to it for the purpose of trade, well armed. It is to be hoped no collision will occur between them and the Company's servants. The Home Government has ordered troops from Toronto to it, sending them round by Hudson's Bay, a voyage of 4000 miles, to a place not 1000