

Woodstock and Lake Erie Railway and HARBOR COMPANY.



To the Reeves and Deputy Reeves of the Townships of Woodhouse, Windham and Norwich, and of the Towns of Woodstock and Simcoe.

GENTLEMEN—

THE BOARD OF DIRECTORS of the Woodstock and Lake Erie Railway and Harbour Company, beg to submit the following statement to you, showing their present position and future prospects:—

This Company's position is materially improved, as its President and Directors have made arrangements for effecting an amalgamation with the Erie and Ontario Railway Company, (subject to the approval of the Shareholders of each Company); the importance of this amalgamation cannot be too highly estimated—it gives to this Company the use as a terminus on Lake Ontario of one of the best Harbours, (Niagara,) and the important privilege of running steamboats, &c., on that Lake, materially enhanced by this Company already possessing similar privileges on Lake Erie. It further secures to this Company the right of crossing the Suspension Bridge, a right which was reserved to the Erie and Ontario Railway Company, when the Great Western Railway Company leased the upper or Railway floor of that Bridge from the Bridge Company. It secures to the Woodstock Railway Company, a direct line to the Suspension Bridge, avoiding the mountain ridge crossed, and consequently the heavy grades traversed by the Great Western Railway; the Erie and Ontario Company and this Company being entitled under their existing charters to meet at Dunnville; and it connects by an unbroken line of Railway two of the best Harbours (Port Dover and Niagara,) on the Lakes of Erie and Ontario, which is of the greatest possible importance when we remember how much time and expense is consumed in taking cargoes and merchandize through the Welland Canal.

The Companies jointly have applied to Parliament for an extension of their line to St. Thomas, which there is every prospect of their obtaining this Session; should they succeed, it will inevitably secure to them the command of the Great Southern Through Line, connecting the Southern Michigan Railroad with the New York Central Railroad at the Suspension Bridge.

The amalgamation carried out and the extensions obtained, the parties interested in these Companies, among whom will be found some of the most influential men in the Province, stand pledged to occupy so much of the united lines as lie between the Simcoe Junction and Otterville, as a part of the Southern Line, if carried out.—The immediate and beneficial effect that arrangement would have on the position and prospects of our road you are well able to judge; and although the advantages of a Southern Through Line, in a commercial point of view, are but too well known, and have been too often canvassed to need repetition, it may be considered not out of place, now that the Great Western Railway has been opened twelve months, to give a few figures, which, derived from the actual returns of that Railway, have in every way a practical advantage over those heretofore given.

The Great Western Railway Company's Receipts are now averaging £8,000 per week, (and they are unable to do the whole of the business offered) or £416,000 per annum. The cost of construction has been £3,500,000; deducting one-half of the receipts, for working expenses, there remains a sum nearly equal to six per cent. upon the outlay for the dividend.

Now the Southern line can be built for about two-thirds of the cost of the Great Western Railway, or, £18,000 per mile, including all contingencies. Connecting, as it would, with the Southern Michigan Central Railroad, it may fairly be assumed that the through traffic would be equal to that carried by the Great Western. Take the length of the Southern line at 226½ miles, its cost at £10,000 per mile, or £2,265,000 for the whole road; put the receipts at £416,000 the same as given the Great Western Railway above, and allow, as with that Company, half that sum for working expenses, the remaining half will give a dividend on the outlay equal to 9 one-sixth per cent. In the foregoing estimates we have not given the Southern line the benefit it is strictly entitled to when placed in juxtaposition with the Great Western Railway as far as the expense of keeping its permanent way in repair; the latter from having a mountainous country to run through, is peculiarly liable to landslips and sudden swelling of the mountain torrents, all of which have been guarded against at very considerable expense, whereas the former has none of these difficulties of nature to contend against; neither has any allowance been made in favour of the Southern line, as to its working expenses, although from its easier grades it will be enabled to carry both passengers and freight much cheaper, which items alone, would, we believe, add three per cent to the dividend of nine and one-sixth per cent, already estimated.

The President and Directors of this (the Woodstock and Lake Erie) road, are reliably informed that capitalists are only awaiting for the Charter of the Southern Through Line to be granted, to take up the great bulk of its stock.