

IN 1861

The Local Traffic of the Northern Railway of Canada amounted to	120,000 tons.
Through	25,000
Passengers	100,618
Local Receipts	\$362,507
Through	48,432
Running expenses	\$410,939
Excess of earnings over running expenses on local traffic	68 per cent.
Do. on Through Traffic	15,498
Local earnings equal to 8½ per cent. on a cost of \$15,000 per mile.	
Or 12½ on \$10,000 per mile.	

1864.

Local Traffic	180,700 tons.
Through Traffic	8,341
Passengers	104,316
Local Receipts	\$452,382
Through	14,884
Running expenses	\$467,266
Excess of earnings over running expenses on local traffic	52 per cent.
Do. on through traffic	217,143
Local earnings equal to 15 2-5 per cent. on a cost of \$15,000 a mile.	
Or 23½ per cent. on \$10,000 per mile.	

1868.

Local and Through Traffic	194,583 tons.
Passengers	138,965
Local Receipts	\$537,380
Through	12,990
Running expenses	\$550,070
Excess of earnings over running expenses on local traffic	61 per cent.
Do. on Through Traffic	4,949
Or equal to 14½ per cent. on \$15,000 a mile (local earnings.)	
Or 22½ per cent. on \$10,000 per mile.	

	Running Expenses Per cent.	Local Tonnage	Through Tonnage	Total Tons	Passengers	Local Receipts Gross.	Through Receipts Gross.	Total Receipts Gross.	Local Receipts Net.	Through Receipts Net.	Dividend on \$15,000 a mile.	Dividend on \$10,000 a mile.
1861.....	68	120,000	25,000	145,000	100,618	\$362,507	\$48,432	\$410,939	\$115,982	\$15,498	8 1-3	1 1-10
1864.....	52	180,700	8,341	189,041	104,316	\$452,382	\$14,884	\$467,266	\$217,143	\$7,144	15 2-5	1-2
1868.....	61	180,700	8,341	189,041	104,316	\$452,382	\$14,884	\$467,266	\$217,143	\$7,144	14 7-8	1-3
Average.....		176,209	116,643			\$1,352,269	\$76,006	\$1,428,275	\$542,703	\$27,591	12 5-6	2-3

From the above data it will be seen that the Northern Railway carried an average for those three years of 176,209 tons of freight, and 116,643 passengers; the average gross receipts being \$450,756, while the nett receipts from local traffic were \$180,901, equal to an annual dividend of 12½ per cent. on a cost of \$15,000 per mile; or 19½ on \$10,000 per mile.

It is remarkable and of consequence to intending subscribers for stock of the T. & N. R., that the nett receipts for through traffic for the same years only averaged \$9,197 per annum, equal to a dividend of ⅓ of one per cent. on a cost of \$15,000 per mile. This fact clearly proves the value of local as against through traffic.

The Grain Traffic tributary to the Toronto & Nipissing Railway undoubtedly will not fall below 900,000 bushels, and probably will largely exceed that quantity. The Passenger Traffic is anticipated to average 100,000 per annum.

The country through which the first section of the Toronto & Nipissing Railway will pass, is more populous, wealthy, and extensive than that tributary to the Northern Railway,—being one of the oldest and finest settled districts in the Province of Ontario. Various unsuccessful efforts have previously been made to accommodate this district with railways.

The most moderate estimate of the gross receipts from the traffic in timber, lumber, cereals, passengers, &c., to be carried over the T. & N. R., place the amount at an average of \$400,000 to \$500,000 per annum, for the first eight or ten years, when the traffic must necessarily increase to a much larger amount.

The traffic to create this revenue will be derived from the following items, and in about the proportions set forth:

Pine, or sawn lumber, for the first eight years, 80,000,000 ft. at \$2 per 1000 ft.	\$160,000
Square timber, 1,250,000 ft.	37,500
Cereals, 900,000 bushels, at 5c. per bushel	45,000
General goods, 15,000 tons, at an average of \$3.40 per ton	51,000
Mails and Express	15,000
Cordwood, 25,000 cords at \$1.50 per cord	37,500
Passengers, 100,000	100,000
	\$446,000

Allowing 60 per cent. for running expenses, the nett earnings amount to \$178,400,—equal to a dividend of 14 per cent. on a cost of \$15,000 per mile; and on the actual cost to the Company of \$10,000 per mile, the dividend from such nett earnings would be 21 per cent.

The provisional Directors invest their own means on their faith in the correctness of these estimates.

The terminus at Cobocouk, on the Gull River, will connect the Railway with a vast stretch of Inland Navigation, upon which steamers now travel, and which, with comparatively inexpensive improvements already partly undertaken by the Government, will give these boats access to the Railway, and will afford almost inexhaustible supplies of pine and hard wood.

By the Act of Incorporation, the Company is specially bound to carry cordwood, and to afford every necessary facility for so doing at the specified rate of 3 cents per cord per mile for dry wood, for all distances under 50 miles, and 2½ cents per cord per mile for all distances over 50 miles—a rate which has been found satisfactory, by the test of actual experience, on the Government Railways in New Brunswick.