

from her summer area of tribute to hand over to her rival, New York, all that part of it—about 27,000 square miles,—which lies west of a line running from a point between Whitby and Port Hope in a direction north-eastwardly towards the Valley of the Ottawa. And in application of this generalization, it may be stated for the purpose in hand that, while the Grand Trunk in summer occupies west of Whitby a strong position subject to but a feeble competition by the railways of New York, it does so on a field that must still be considered debatable, seeing that it may be held by *either* party at *one* season of the year by right and at the *other* season of the year, so far as it may be held at all, but by policy.

Abstract economy would assign to Montreal in a railway competition with New York during the navigation of the St. Lawrence, the trade of all the Peninsula of Michigan and of the upper lakes. At Detroit, the commercial capital of Canada has the ascendancy in the struggle at that time of the year, by virtue of an economy equal to the cost of transportation over 96 miles; at Sarnia, of a transportation over 122 miles. Experience declares, however, that so far as existing attempts to divert the commerce of the Upper Lakes go to prove the contrary, their steamships, abhorring short voyages, cannot be arrested on their way to transshipment at Buffalo. And their rates commanding all the great aggregations of the shore-line of those inland seas, the railways have but comparatively little of the through business to struggle for in summer beyond that which the outlying lines may have gathered by the way.

The traffic offering at Detroit and Sarnia offers in a double competition—with a navigation that can underbid the railway, and with railways which bring to a reduction of their disadvantage in distance, the advantage of superior support by the way. But the excess of their length disappears altogether in their rivalry with the Grand Trunk, when winter, closing the St. Lawrence, makes them masters of the freights offering at Sarnia and Detroit, by right of an economy of transportation representing the cost, in one case on 175 miles of track, and in the other case on 201 miles. And thus obtainable at but low rates in summer, and subject to the control of rivals in winter, the through freights within reach of the great Canadian line at Sarnia and Detroit must be held, not

only because of their cheapness, but because also of their unsteadiness, to constitute a business which is, at best, a questionable subject of effort.

Let this review of the field pass now from the West to the East. Between Montreal and Toronto the way-freights of the Grand Trunk are disputed in summer by navigation. American ships bring to bear within that extent of the route an active rivalry at all points of large aggregations from the back country; while the freedom of the coast to Canadian vessels extends a similar rivalry by a system of touchings at ports along the line, to several of the smaller stations. At that season of the year, concessions adapted to these circumstances are the only means of obtaining business along that part of the road, while the business of the points thus acted upon may be commanded in winter as far west as Port Hope on any judicious schedule. Even then, however, Whitby being but 555 miles by railway from the harbour of New York, while Port Hope is 567 by railway from the harbour of Montreal—Portland—the footing of the Grand Trunk west of Port Hope can, as stated above, be sustained, so far as it may be sustained at all, but by address.

The survey that has been just made of the field shows, it may be observed in passing, that the management of our great railway demands originality of thinking, closeness of observation, and flexibility of method. The object of that survey, however, has been to point out views and circumstances that enter into a proper judgment of the leading facts of the administration of our most important railway.

The Company had a choice of two routes between Montreal and Sarnia. Following the direct line, the track would have been laid 15 or 20 miles to the north of Lake Ontario with a large economy of length. In that event it would have run near the "rain-divide;" and, by crossing the drainage about its source would have effected a large saving in the number and character of the bridges. But an experience disregarding all the surrounding circumstances, decided that the route should pursue the shore of the Lake; and thus burdened the capital of the Company by an unnecessary length of track, a more expensive system of bridging, and many stretches of heavy and difficult embankment.