

gross earnings of the whole year, the expenditure appears to have been nearly 71 (seventy-one) per cent of the revenue; but by separating the months of May and June from the previous portion of the year, it will be seen that the expenses only amounted to 53 per cent. of the earnings during those two months.

I have prepared a statement in the appendix shewing the earnings of each month of the past year in comparison with the corresponding months of 1853-4, which shews a satisfactory increase per mile, especially during the months of May and June; and should the same favourable results continue, with such augmentation as I shall presently shew that it is reasonable to expect, the revenue for the ensuing year will realize the estimate formed in my last Report, and enable you to divide an average dividend on the stock of the Company.

At the date of my last Report, it was expected that the whole length of the road would have been completed in September of that year, which would have added over two months of the season of navigation to your business with Owen Sound and the borders of Georgian Bay, and would have materially enhanced the value of the spring business, by giving confidence in the early opening of the line. It was also expected that the large lumbering establishments recently completed at King, Bell Ewart, and Barrie, would have been in operation last fall. The delay of several months in both these particulars has contributed to occasion some discrepancy between the actual receipts from local traffic and the amount predicted in my last Report. This difference is also in part due to the rapidity with which the grain in the country about Bradford, Holland Landing, and Newmarket was brought forward during sleighing. The activity in this business accumulated the grain more rapidly than your then supply of rolling stock enabled me