

There cannot be a doubt but that there will always continue to be a considerable competition, between railways and canals, for the carrying trade Eastward from the foot of Lake Erie; but from the Westward to that point the water route, although twice the length of that by land, will in all probability keep the lead.

This may safely be inferred from the known characteristics of the navigation, and the large class of vessels employed on it, some of which draw about 12 feet of water, and are capable of carrying from 40 to 50,000 bushels of wheat.

This, together with the rapidity with which vessels can be unloaded, and allowed to proceed on their return voyage, and the attractions of the commercial port of New York, must, to the extent of these advantages, have a tendency to throw the stream of trade towards Buffalo.

To the Westwards of this point the route to the heads of Lakes Michigan and Superior, is common to all; so that the rivalry between the New York State Canals, and those on the St. Lawrence for the carrying trade to the seaboard, may very properly be said to commence at the foot of Lake Erie.

If vessels of the capacity above mentioned could proceed downwards without breaking bulk, until alongside the ocean-bound ship, a great object would be achieved, and a route established which might reasonably be expected to defy successful competition for the cheap and rapid transport of the heavy and bulky articles of agricultural produce.

For several years after the present Welland Canal was opened, (1845), all the vessels engaged in the grain trade of the upper lakes could pass through it, but ten years afterwards there were at least *twenty* propellers on Lake Erie that could not use the canal; and at the present time there is fully *three times* that number engaged in the traffic to Buffalo, which cannot descend to Lake Ontario.

From the best information that could be obtained, there appears to be over one-half (some competent authorities say about three-fourths) of the tonnage employed in the Western trade which cannot descend lower than the foot of Lake Erie; consequently, while this state of matters exists, freight can be delivered cheaper there than at any other point.

The Eastward movement of all classes of freight from Buffalo, by the Erie Canal, was for the past two years as follows:—

	Tons.	No. of Boats.	Average Cargo of each Boat.
1870	1,303,904	6790	192 tons.
1871	1,742,157	8795	189 "

In the year 1862, when the greatest volume of freight was sent Eastward from Buffalo of any previous or subsequent year, 1,980,982 tons, the average of each boat was 177 tons cargo.

The downward movement of freight of all kinds from Port Colborne through the Welland Canal, was, for the past two years as follows:—

	Tons.
1870	867,085
1871	962,565

It is considered proper here to submit a few remarks relative to the nationality and tonnage of vessels which pass through this Canal, so as to correct some erroneous statements which lately appeared in reference to this matter.

Up to the early part of the season of 1871, it was the practice to issue a pass each trip to the tugs engaged between Port Colborne and Allanburg.