

The estimate of probable traffic is based on the assumption, that the railway will be forthwith extended to Montecello, on the great thoroughfare between the Counties of Ontario and Victoria; by which a large portion of the produce of the northern townships of these two counties now finds an outlet to ports of shipment on Lake Ontario. That point will doubtless become, when reached by the railway, an important mart for the accumulation of the products of a most fertile section of country; but it is material to bear in mind, (what a glance at the map will render evident,) that, even while the railway is permitted to terminate at Lindsay, the traffic which must concentrate there will be quite as great, in proportion to mileage and cost, as it would probably be if the railway extended to Montecello.

The recent rapid developement of the resources of the tract of country here referred to, justifies the anticipation that the extent of traffic indicated in the foregoing estimate, will be fully attained within three years after the opening of the railway to Montecello, and the same per centage on cost within a like period of its being opened to Lindsay. According to the estimate of the Chief Engineer, the cost of the railway to Montecello, with full equipment, will be £451,000 currency. If 50 per cent. of the gross earnings be allowed for running expenses and renewal fund, (and on a road like this, where there is no inducement to aim at a high rate of speed, this allowance may be considered ample), the balance or net annual earnings—namely, £26,162 10s. 0d., currency—will be nearly sufficient to pay six per cent. per annum on the cost. This result would relieve the Municipalities that are Stockholders in the railway from any charge upon the loans created to pay up their stock subscriptions, except the two per cent. per annum required by the Provincial statute to be paid into the Consolidated Municipal Loan Fund, as a sinking fund to redeem the loan. The interest on the Company's bonds being a first charge on the revenues of the road, this deficiency would necessarily be provided for by a tax upon the assessable property of the several Municipalities; and in the same man-