



REPORT

SUBMITTED BY THE

Board of Directors

OF THE

ONTARIO, SIMCOE & HURON

RAILROAD UNION COMPANY

TO THE

ANNUAL MEETING

OF THE PROPRIETORS,

HELD AT THE COMPANY'S OFFICES, ON MONDAY,
JULY 16, 1855.

TORONTO:

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DIRECTORS' REPORT.

THE Directors of the Ontario, Simcoe, and Huron Railroad, in submitting their Annual Statement, feel it unnecessary to introduce many details, as the annexed Report of the Chief Superintendent enters fully into the present position of the Company, and its operations during the past year; which Report, in connection herewith, the Directors respectfully submit for the consideration of the proprietors.

The Directors believe that the (local and through) traffic already developed, has met the expectation of the most sanguine; and they have every reason to expect that so soon as the capabilities of your route are well known, east and west, your line will be second to none in America. The Stockholders will bear in mind, that until the Spring the road has not been in full working order, from the causes explained in the Superintendent's Report; and that until the first of January next, the remunerative character of the line cannot be properly estimated.

In the last Annual Report of the Company, the Directors, in view of realizing the results within reach of the Company, recommended that prompt and liberal efforts should be made to effect Upper Lake connections; and the Chief Superintendent then reported, that—"The amount of through-traffic which may be obtained for your line, [during the past year,] will chiefly depend on the exertions made to secure it; and though the cost of those exertions may fully equal the earnings that will result from them, prior to July, 1855, and will not, there-

fore, add materially to your nett revenue, during the ensuing year, yet it is imperative that the necessary measures be taken at some period, before a result can be realized from them. I cannot, therefore, sufficiently urge upon you the necessity of at once initiating such action, either by chartering steamers, or otherwise arranging with owners, as to secure the formation of a sufficient line from your northern terminus to Lake Michigan, as may be most advisable for securing the benefits of that through trade which is within your grasp."

After much consideration the Directors did not hesitate to adopt the means set forth in the Superintendent's Report, hereto annexed, to test the capabilities of your line and route, and they feel warranted in saying that the result of your steamboat operations to the present time have exceeded their anticipations; and they confidently rely that no loss will accrue from that service, while a large traffic will have been made for your line.

The Directors have much satisfaction in stating that the Harbour at Collingwood has been found, from actual experience, safe and commodious for vessels of the largest tonnage—its improvement is still progressing by the removing of all obstructions in the channel, so as to secure a safe approach at all times. The Provincial Government are erecting first-class Light-houses on the Georgian Bay and other parts of Lake Huron; in the meantime temporary lights have been established on the most important points for the Company's business.

The Directors cannot refrain from expressing their regret that the opposition referred to by the Chief Superintendent exists. They rely, however, upon the better judgment of the managers of the lines alluded to, that proceedings so injurious to all parties shall cease. The Directors had determined to avoid such difficulties; and in the event of

their still having a share in the management of your road, they will pursue the same policy. The rapid increase of the Western States in population, trade, and commerce, justifies the belief, that there will be more traffic than all the existing lines leading to Lakes Huron, Michigan, and Superior can conveniently accommodate.

It must be a source of much gratification to all who are interested in the line, that travellers who have passed over it, have invariably expressed their satisfaction regarding it, and that great interest is taken in the success of the Company by the citizens of Oswego, and by the inhabitants of the various cities and towns on Lake Michigan and Green Bay.

The Directors have much pleasure in stating that no accident or injury whatever has happened to any passenger during the year.

The contracts with M. C. Story & Co. have been closed some time since. All the contracts for wharves, store-houses, engine-houses, machine and repairing shops, &c., at Toronto and Collingwood are being concluded—the final estimates having been made by your late Chief Engineer, Mr. Cumberland. The piers at Collingwood are still in progress.

The attention of the Directors has been repeatedly called, during the past year, to the subject of extending depot accommodation, and increasing the facilities of the Company. Unfortunately, in a financial point of view, the means were not within the control of the Directors; but, even if they were, the Directors would not feel themselves justified in taking any steps which would involve a large outlay, without the concurrence of the shareholders. They feel it to be their duty, however, upon this occasion to press the matter upon the Company; and they strongly recommend that at the earliest period measures should be taken to carry into effect

the recommendation of the Superintendent, in the concluding part of his Report—the Directors having little doubt that a large return would result from the additional capital expended.

The Directors refer the Shareholders to the annexed Report of Mr. Cumberland, the late Chief Engineer, for information on the matters within his department; and also to the tables and accounts accompanying the Superintendent's Report for the details of the revenue and expenditure during the past year.

It is gratifying to notice that while the traffic for the whole year amounted to £53,358, and the expenditure to £37,810, yet for the last half-year the receipts amounted to £34,697, and the expenditure, during the same period, to £23,556.

All of which is respectfully submitted, by order of the Board of Directors.

JOSEPH C. MORRISON,
President.

JULY 16, 1855.

SUPERINTENDENT'S REPORT.

ONTARIO, SIMCOE AND HURON RAILWAY,
SUPERINTENDENT'S OFFICE,
Toronto, July 15th, 1855.

To the President and Directors:—

GENTLEMEN,—I have the honour of submitting to you my Annual Report, with a statement of the traffic transactions of the past year.

Referring to the appendix, it will be seen that the earnings from local traffic during the year terminating on the 1st inst., amounted to £49,101 19s 9½d cy.; and from through traffic to £4,256 19s 11½d cy., being a gross amount of £53,358 19s 9d.

The expenditure for traffic account during the same period, has been £37,818 14s 9½d.

Although regular trains were run over the whole length of the road early in January, the then state of the track, and the small amount of local traffic on the northern division, early made it evident that the earnings would be quite insufficient to pay the working expenses and the maintenance of that portion of the permanent way. The state of the works at Collingwood Harbour, however, made it imperative, in order to insure their construction in time for the spring business, that the track should be kept open; and under these circumstances it was decided to run a daily train for the accommodation of the local business.

Comparing the total cost of working the line with the

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

to have it removed, and consequently a large amount was brought to the city by the Yonge Street road—the limited storage at the stations referred to, being quite insufficient to hold the quantity in excess of that which your stock was capable of removing.

In the absence of the requisite storage, the large amount of grain brought forward, especially at the above named stations, during sleighing, would tax the stock of the best equipped roads to keep it clear, and inasmuch as only box cars can be used for its conveyance, it is very desirable that by increasing the capacity of your storehouses you facilitate the distribution of that description of traffic over a greater length of time, and thus prevent much of it from being diverted from your road.

The traffic expenses of the past year, as in comparison with the revenue, have somewhat exceeded my expectations. This excess is due chiefly to the opening of the Northern division of the road, when but comparatively little traffic could be obtained, as above-mentioned. The destruction of a large quantity of fuel, by fires in the woods contiguous to the road, also contributed to this excess; and it was further enhanced by the repairs of the machinery, due to the previous year, having been performed during the period covered by the present return—by the incompleteness of the repair-shops and machinery, during several months of the year—and by very expensive repairs on two freight locomotives, consequent to the collision at Richmond Hill.

The cost of freight labour has also been greatly increased by the incompleteness of the premises at this depot, and the insufficiency of side track here and at all the other stations, and the consequent difficulty of assorting the cars, and making up of trains.

These sources of increased expense have been, or are, in

process of being removed, your machinery is now in a more efficient state than when placed on the road, and the requisite appliances for maintaining it so are chiefly supplied.

Up to the present time, your exertions to establish a through business for the line, have met with a success beyond the most sanguine expectations of the friends of the enterprise; and the tabulated statement of the through business from the 15th of May to the 1st of July (which will be found in the Appendix), proves, beyond cavil, that, by judicious management, the traffic of the Great West can be taught to flow through this, the most expeditious and cheapest channel ever opened to it. It is true that, in the initiation of the through business, circumstances occurred which occasioned delay and damage to some of the freight entrusted to the route. These damages, however, have been promptly settled as soon as ascertained; and when it is remembered that, at the opening of the spring business, the wharves and warehouses at Collingwood were incomplete—that the unlooked-for full cargoes of every boat which arrived accumulated freight at that point more rapidly than it could be removed with the then supply of stock, that much was exposed to the weather—that there was only the one short siding at that depot—the embarrassment will readily be understood; and when I add that the wharves and warehouses at Toronto were still more incomplete, and that the sidings had been found inadequate to the accommodation of the local traffic of the road—thereby preventing the proper assortment of the trains and causing the mixing-up of consignments—the surprise will be, that so little delay and damage has been sustained.

The doubling of your locomotive power, the great increase in your stock, and the addition of nearly two miles of siding at Toronto and Collingwood, with the completion at the latter place of storage for 40,000 barrels and

120,000 bushels of grain with the requisite machinery for elevating it from vessels, and at Toronto of storage to a similar extent, together with the extension of the wharfage, so as to facilitate in every way the shipment of merchandise and produce of every description, has placed me in a position to transact an amount of business largely increased over that of last spring, with economy and despatch.

It is proper, however, to state, that a prudent foresight demands that your facilities should be continuously increased, in order to meet the growing demands of a business likely to augment *pro rata* with the growth of the Western States, and certain in another year only to be limited by your ability to transact it with satisfaction to the owners of the freight.

As much misconception in reference to your steamboat arrangements has gone abroad, it is necessary to offer a brief explanation of the considerations which induced me to recommend, and you to concur, in the expenditure necessary to the efficient connection of your road with the great channels of trade at either extremity.

It early became apparent to the promoters of the road, that, in order to develop the through traffic, it would become imperative on the Company to aid in the establishment of a steamboat service on the North Western lakes. The attention of the Company was also especially called to this subject in my last Annual Report, and it was readily admitted by all who examined the position of the road in connexion with the great lakes, and enquired into the extent of the probable local traffic on the Northern division, that unless such an arrangement could be effected, that portion of the road between Lakes Simcoe and Huron would not earn a sufficient revenue to maintain it in repair, and that its cost, together with the heavy outlay at Collingwood Harbour, would have remained an unproductive charge on the capital of the Company.

During the past winter this question, under your instructions, engaged my especial attention, and it was my earnest desire, by so representing to owners of steamboats the advantages of your route, and urging on them the strong probability of its proving profitable, to procure the establishment of a line of steamers, on the strength of a guarantee of a certain amount of business from the Company.

In this endeavour I was met by the objection that the route was unknown and untried—that they (the owners) would not be warranted in withdrawing their boats from known and profitable lines of travel in order to experiment for the advantage of this Company; and it was fairly urged that your confidence in the business your route could command, would be best testified by assuming the risk yourselves.

The navigation of 230 miles of your route, with the Collingwood Harbour, had been represented by interested parties, as difficult and exceedingly dangerous; and though such representations had not the slightest foundation in fact, they had a certain influence in deterring private individuals from entering on the enterprise, especially as those who owned steamers suitable for the business, had interests at other places which would be more or less injured by the withdrawal of their boats from the accustomed routes, to place them in a trade, where, in any event, they could not manage them as economically as at their usual places of business.

Under all these circumstances, our alternatives were evidently either to abandon all the advantages anticipated from a through traffic, together with all the Company's expenditure north of Lake Simcoe, or to charter for account of the Company, during the first year, the requisite boats to establish the business. The latter alternative was adopted without hesitation; and I have not as yet dis-

covered any reason to question the propriety of the decision.

During the period occupied in making arrangements for steamers to ply on the upper Lakes, it became obvious that unless a direct route were simultaneously organized to the eastern seaboard, the Company's efforts to effect their grand object would be liable to defeat, by the various and conflicting interests on Lake Ontario; and that, in any event, the established lines could not be relied on for the conveyance of freight to the most important point—the nearest junction with the Erie Canal at Oswego—nor in any other direction, in large quantities, with certainty and despatch; such uncertainty would have materially embarrassed your transactions, and would have tended very much to lessen the value of your north-western connection.

In seeking an outlet to the eastern cities, it has always been considered by those who have taken an active part in the establishment of your road, that Oswego, as lying in a direct line, as being the outlet on Lake Ontario of the Erie Canal, and as having two distinct railroad connections with New York and Boston—would afford the readiest point of access to those important places. Under these circumstances I did not hesitate to recommend the acceptance of a proposal made by influential persons in Oswego to establish, on joint account, a line of steamers to that port during the present season, which recommendation having been concurred in, the arrangement was effected with Messrs. Fitzhugh & Littlejohn—thus establishing an uninterrupted line from Chicago to New York and Boston, on which the night travel is entirely on board first-class steamers; and facilities are placed in your hands which enable you to carry merchandise in an expeditious and satisfactory manner.

Early in the season it was expected that the boats owned

by the Great Western could have taken your business ; but the uncertainty as to their intentions, and the time at which they could be ready for the route, prevented any arrangement being made with them for the Spring business ; and when, late in June, they commenced their regular trips, the determined hostility displayed by their owners towards your interests, made it impossible to rely upon any arrangement with them, without placing the power in their hands to divert your most important trade to their own route,—an object which, it is evident, they would omit no opportunity to effect.

The chartering or owning of steamers by a railroad company is usually looked upon unfavourably ; and it cannot be doubted but that such a course is only to be justified by a strong necessity. I apprehend, however, that, in the present instance, such a necessity has been clearly shown to exist, and that it will be admitted on all hands that it would have been futile to attempt the diversion of any portion of so important a trade from its accustomed channels, or to shew the advantages offered by a new and untried route, in opposition to the interests of every forwarder in the business, whose arrangements, feelings, and interests are all enlisted in opposite channels, without some such effort being made.

As regards the selection of boats for your business, I may state that they were all well known in the Michigan and Buffalo trade and in high favour with those engaged in it, and that their withdrawal from that business and from Lake Erie has had, as was expected, the effect of diverting a portion of their business on those Lakes to the Georgian Bay.

It has been my object in managing the traffic of your road, in connection with the steamers, to effect such an apportionment of the through rates as would be fair and

equitable, so that whatever loss or profit might accrue on the steamers could be ascertained. The amount of the through tariff was, with this object, determined by making the charge on Lakes Michigan and Huron in fair proportion to the usual charge from Chicago to Buffalo, which, by steam around the Lakes, has usually been \$10 for first class, and from \$1.50 to \$3 for deck passengers, and from \$3 to \$3.50 per ton, as an average for freight—the distance between Chicago and Buffalo being nearly 1200 miles, and from Chicago to Collingwood only 530 miles, I considered \$5.50, \$3, and \$1.50, as a proper charge for three classes of passengers—(first, steerage, and emigrant,)—and \$2.50 per ton as a sufficient average rate for freight. To these rates I added \$2.50 and \$2 respectively for first and second class passengers, and \$2.50 as an average charge per ton for freight over the road, and thus made out the present freight and passenger tariff, which only require sufficient quantities moving in both directions to make the business remunerative to all departments engaged in the trade.

The tariff on Lake Ontario was made by Messrs. Fitzhugh & Littlejohn, and is equivalent to corresponding charges made by other lines.

In view of the peculiar position in which your road is placed, having no other connecting lines of railway, nor large towns save Toronto to serve, and depending on the great lakes for its most important business, it is of the utmost importance to decide to what extent a steamboat service should be established in your connection and on what basis. In my opinion this subject is of sufficient importance at the present moment to recommend it to your serious deliberation.

I do not desire to be understood as advocating the permanent owning by the Company of the floating facilities requisite to bring and carry away your business; but I

look upon the *establishment* and *thorough development* of the lake connections as being as much a part of your enterprise, and as having an equal demand on a portion of your investment, as the purchase of your right of way, the construction of your harbour, or of any other part of the works in which the Company's capital has been invested. But as soon as this thorough *development* shall have been effected, it will doubtless become the true policy of the Company to release themselves from the management and control of the lake connections, and place them in the hands of private individuals or companies, who will, doubtless, then be forthcoming, and to whom may be transferred the vessels controlled by this Company.

The inconvenience arising from having only a tri-weekly connection at your northern terminus, are daily presenting themselves in greater force, and will doubtless continue to increase. Passengers are in perpetual uncertainty as to the proper days of departure, and are continually incurring expenses by delays, which tend to render the route distasteful to them, and, however careful your agents may be, there is always a great temptation to send passengers forward on a wrong day rather than lose them. Nor does the difficulty end there; it is obviously necessary to run the same trains and keep up the same establishment on the road every day, while there is really only full employment on alternate days; it cannot be doubted, therefore, but that a daily line would bring such an accession of business as would fully justify the expense.

To the prompt despatch of freight without separating consignments, I attach the utmost importance, and the ability to do this would alone give you the command of an advanced tariff over competing lines; but, while the business of your line is at the mercy of other forwarders, it will ever be liable to contingencies arising out of their

other engagements, as has been fully exemplified by the difficulties and delays heretofore experienced in getting forward the freight destined to Montreal and Ogdensburg, while that to New York has had prompt despatch. The command of a moderate amount of tonnage on Lake Ontario, suitable for the St. Lawrence trade, would remove the cause of the delays above mentioned.

Under all the circumstances, I do not hesitate to state it as my opinion, that the Company should, for the present, control sufficient floating facilities to put them in daily communication with the western shores of Lake Michigan ; at least three times each week with Green Bay ; and once with Lake Superior ; and further, that they should control sufficient tonnage on Lake Ontario to ensure the prompt despatch of business entrusted to them.

A review of the passenger business transacted by your line since its commencement, fully warrants and encourages further exertions towards ensuring its accommodation and increase. Pleasure travel from Chicago and the Southern States is now being rapidly directed over your route ; and even business men, who can so arrange their affairs as to spare an extra day in their journey eastward, are not slow to discover that a route, in which their rest is unbroken between Chicago and New York or Boston leaves them in a much better state for business at its termination, than a journey of the same length during day and night in the suffocating cars of a dusty railway ; and, as it becomes more generally known that the addition of 24 hours in a journey of one thousand miles, will secure the comfort of regular meals and unbroken rest, it is no more than reasonable to suppose that the facilities you offer will be more generally taken advantage of.

Hitherto more difficulty has been experienced in directing passengers over your road from the east ; but these

difficulties are disappearing, and that class of travellers who are moving with cattle, farming utensils, and furniture, from the Eastern States to the Far West, are now availing themselves of the undisputed advantages of this route. The number of pleasure travellers and business men moving in the same direction is also rapidly augmenting, and so far as can be gathered from them, they are universally satisfied with your route

As a cheap and expeditious channel for the tide of European emigration, your route is unrivalled ; and already large numbers of emigrants from all quarters of the continent of Europe, as well as from Ireland, have passed over it, and as well as the agents who accompanied them, have expressed unanimous satisfaction with it. The high northern altitude through which it passes ensures their health, and for comfort there can be no comparison between the crowded emigrant train on a long line of railway and the sheltered deck of your steamers, with the bracing atmosphere of Lakes Huron and Michigan. Add to this, that the emigrant's luggage accompanies him, and is always accessible, and that the distance is to many points shorter than by the railway routes, while the speed of the boats is fully equal to the average of emigrant trains, and you will not fail to discover abundant assurance of the continuance and increase of this description of travel.

The amount of freight carried by the steamers during the period in which the bulk of such spring business is usually transacted on the lakes, was only limited by their capacity, and every boat, during the months of May and June, obtained full cargoes, at remunerative rates, moving eastward. That corresponding quantities of merchandize moving westward were not obtained, is due to the objections which merchants naturally felt to sending the goods, on which they depend for a season's business, over a route with

which they were totally unacquainted. To those, however, who did venture, you have given entire satisfaction; and in every case where time contracts have been made, the goods have been delivered within a less period than was guaranteed.

Had your boats been at Collingwood during the month of April, instead of being ice-bound at Buffalo and other ports on Lake Erie, so as to have enabled you to make positive engagements at that early date, a very large quantity of westward-bound freight could have been contracted without difficulty, and eastward-bound cargoes could have been obtained early in May, at rates much above those which were current when the escape of your boats from among the ice of Lake Erie enabled you to place them on the route.

These difficulties and uncertainties will not impede your fall business—they are now in fact surmounted—and this, with the strong probability of abundant harvests in the Western States, justifies the anticipation, during the last four months of the season, of a business far beyond all previous calculations, and which will doubtless tax the carrying capacity of your road to the utmost.

As an evidence of the importance of the position which this road occupies as a stepping-stone for the commerce of the great lakes, and of the truth of the predictions of its first promoters, it is satisfactory to notice the jealousy with which your transactions are regarded by the Great Western and Central route, as is evinced by the hostile position they have assumed towards you, especially the Great Western of Canada.

In order to vindicate this Company from the charge of voluntarily assuming the position of rivalry with other lines, which has been forced upon you by the Great Western Company, it is necessary to state that nothing could have

been further from my intentions, than a design to cheapen rates only with a view to attracting traffic from that road. As has been before stated, our rates were determined solely with a view to the establishment of a tariff most likely, under all the circumstances, to benefit this Company. That these rates can be maintained, so that while they are individually high in proportion to distance, and yet, in the aggregate, do not exceed, but rather fall under, those on competing lines between the same points, is due to the advantageous position which your road occupies, and you are fairly entitled to the resulting advantages.

In my opinion there cannot be any comparison in the rates on routes respectively so situated as this and the Great Western and Central. The one embraces 507 miles of railway, and requires two transshipments at the Detroit ferry; the other embraces only 93 miles of railway and 530 miles of the safest and most unobstructed navigation on the American Lakes—I may say, in the world—and but one transshipment. The one route involves a capital of not less than £7,000,000 currency; the other involves, reckoning the value of a daily line of steamers, a capital of not more than £1,500,000 currency. The one is worked at an annual expense of not less than £280,000 currency, per annum; the other at an expense of about £80,000. And yet the cheap route, during all the important part of the season, has a capacity both for freight and passengers more than equal to that of the more costly; and such being the fact, it would be simply absurd to make the charge on the one the same as the other.

In this connection it may be well to point out that the boats between Oswego and Toronto were placed on the route by Oswego interests, aided by you, and a heavy expense incurred in establishing agencies, and bringing the line into notice long before the Great Western Company

had determined to run their boats to Oswego or to any other place; and now, when the line bids fair to return the investment so liberally made, it is not reasonable that the boats should be withdrawn at the dictum of the Great Western.

It is not necessary to dwell further on this. I have said enough, I trust, to show that the hostility assumed towards you by the Great Western and Central Companies was wholly unprovoked on your part; and remembering that their fares and tariffs have long been fixed at competition rates, while yours are far above that point, you have no reason to dread the measures they have threatened.

In order to facilitate the through business on your line, I endeavoured, during the past winter, to effect ticketing arrangements with the principal lines of traffic, east and west. In this endeavour I have, with one or two exceptions, met with a liberal response; and tickets over your road are now to be purchased in the offices of several connecting lines—to New York, Boston, Philadelphia, and Baltimore, in the east; and to the Mississippi in the west: an arrangement which will be rapidly extended. The only opposition, in fact, which has been presented, has originated with the New York Central line, which refuses to receive our tickets or to transact business with us. Fortunately the liberal arrangement made with the New York and Erie and connecting branches, prevents any ill effects resulting to your road from the narrow policy of the New York Central, its only effect being to unite your interests more definitely with the New York and Erie, and to induce a large amount of traffic over the latter, which would, under other circumstances, have been divided between the two.

The effort of the Great Western Company to induce the Mail Line of Steamers on Lake Ontario to refuse your tickets has not succeeded; and though that interest does

not use its influence for this line, it deals with you on as equitable terms as with the Great Western. In the event, however, of their taking an opposite course, and, acting under the influence of the Great Western road, refusing your business, the connection at Oswego with the Lake Ontario and St. Lawrence steamboats places you in an independent position in this respect. Such a contingency, however, is not likely to arise; but its possibility shows conclusively the necessity of your controlling an interest in the navigation of the lower lake.

The rapid settlement of the County of Grey, and the daily steamboat line recently established by private enterprise between Owen Sound and Collingwood Harbour, is tending rapidly to the enhancement of the business of your road, the completion of which has given an immense stimulus to the development of that important section of country.

The great increase in the lumber business on the northern portion of your line is rapidly augmenting the freight traffic in that commodity; several very large mills are already in operation, and others are about to be erected, while smaller establishments are springing up in every direction. I have prepared a statement in the appendix, shewing the number of mills, by which it will be seen that there are contiguous to your road and Lake Simcoe, upwards of 170 saws, capable of cutting 513,000 B.M. feet of lumber daily—a sufficient evidence of the importance of that branch of business. Large shipments of lumber are now being made from Collingwood to Chicago, which affords return freight to vessels bringing produce to Collingwood, and promises to form an important item in the commerce of the Georgian Bay with Lake Michigan.

During the past winter a very large number of Norway pine masts and spars have been brought from the township

of Nottawasaga, where that description of timber is found, in great abundance, and of superior quality, and, together with squared timber for building purposes, is likely to afford an increasing source of revenue, while its manufacture is promoting the settlement of the wild lands contiguous to the line.

As was anticipated, the efforts of the Company to promote the trade of Lake Simcoe, by the establishment of an efficient steamboat service, have been attended with the most satisfactory results, and the erection of extensive wharves by private enterprise at the principal points touched at by your steamers, is abundant evidence of the growing importance of the trade with that section of country, while the pleasure travel from Toronto to the lake has shown it to be a most desirable place of resort for the citizens who are seeking relaxation from business. The completion of the new steamer which will be placed on the route within a few days will add fresh attraction to the trip, and her increased speed will enable me to make a more convenient arrangement of the hours. The steamer *Morning* will then find profitable employment in carrying freight and towing rafts.

I have the satisfaction of being able to add that this enterprise has been self-sustaining, and the division of rate allowed to the boat has been sufficient to maintain her, the very large amount of traffic brought to the road is consequently not subjected to any deduction on account of the maintenance of that service.

The selection of the Hen and Chickens, now Collingwood Harbour, as the terminus of your road on the Georgian Bay, and which occasioned so much controversy at the time, has not resulted in any of the misfortunes so freely predicted by the opponents of the selection; and I am now able to state, on the strength of past experience, and on

the authority of the very decided opinions of the captains of all the steamers plying in connexion with the road, (some of which are vessels of 2,000 tons,) that the outlay already made on the piers and breakwater has created a harbour of sufficient capacity to accommodate a trade equal to that of any port on the lakes, and that the completion of the works as designed—which may hereafter progress as found necessary by the exigencies of a growing traffic—will form a harbour much superior to any now frequented on the upper lakes.

From the transactions of the past year, it is reasonable to infer that neither the local traffic nor that in connexion with the lakes, has as yet approximated to the amount which may be reasonably expected during the ensuing twelve months. In fact, the through business last spring can only be looked upon as an advertisement for that of the fall, as, indeed, the whole of the present season's business must be considered for that of the future. Nor will it have been an ineffectual one. You have already demonstrated that you can carry heavy produce, in connexion with the Erie Canal at Oswego, from Chicago to New York, in eleven days, and at as low a rate as it is carried by any other route.

Merchandise has been conveyed from New York to Chicago within ten days, though brought to Oswego by the slow process of the Erie Canal, and from Boston to the same destination, via Ogdensburg railroad, within $7\frac{1}{2}$ days.

Goods, when carried by railway from New York to Oswego, and thence over your line, have required but seven days to reach Chicago, being, in fact, two days less than is usually required by *all* railway on ordinary freight trains.

You can establish a *profitable* rate for through traffic lower than can be sustained on any other route.

That the whole business of Wisconsin can be diverted

to your road is unquestionable, it being not only the cheapest, but the quickest route offered for its accomodation.

The pleasure travel of the valley of the Mississippi, seeking Niagara Falls and the more Eastern watering places, is acknowledging your route to be unequalled by any other for comfort and convenience.

The safety of the navigation is established beyond dispute, as is fully proven by the fact that insurance over it is affected at much lower rates than by the Buffalo route, and steam around the lakes.

And, finally, the tide of emigration towards the Western States is beginning to flow over your road in an uninterrupted stream; and experience has already shown that, for that class of travellers, your route surpasses all others, as regards healthiness, safety, despatch, and economy.

Such are the results of your past exertions, and they justify me in urging upon your consideration the necessity of devising means for the future extension of your business.

The establishment of a daily line of steamers on the Upper Lakes, the control of propellers on Lake Ontario, the increase of wharfage and storage at both termini, and the gradual extension of the sidings, until they grow into a double track, as they are required by the increase of your business, are all matters which demand your earnest consideration, and constitute, with efficient management and proper exertions, all that is necessary to make your road the carrier of the most extensive freight traffic ever transacted by any Company, and will, at the same time, secure to you a passenger traffic, during the season of navigation, surpassed by few other lines.

I have the honour to be,

Gentlemen,

Your obedient servant,

A. BRUNEL, *Superintendent.*

CHIEF ENGINEER'S REPORT.

ENGINEER'S OFFICE, O. S. & H. R. R.

TORONTO, *July 16, 1855.*

*To the President and Directors of the Ontario, Simcoe, and
Huron Railroad.*

GENTLEMEN,—I have to submit my final Report on the engineering works of this Company.

At the date of my last Annual Report, 63 miles of the said road (from Toronto to Barrie) had been completed, and were in permanent operation.

It was then anticipated that the whole road would be complete for public use about the first of September; consequently, on the extension of the way-station and siding service, the iron for the main track became exhausted; and some delay having occurred in the delivery of the additional quantity required, it was not until December that the track was laid through to Collingwood.

At so late a period of the season it was impossible to complete that portion of the road in detail; yet it was also absolutely necessary to the promotion of the Harbour Works, that the line should go into operation. On the 21st December, 1854, it was accordingly assumed by the Company; and the contract of M. C. Story & Co. closed on satisfactory and equitable terms.

The constructive character of the road has already been amply tested and favourably established; and I have the fullest confidence that it will permanently approve itself as one fitted for economical working and maintenance.

The locomotive and rolling stock, at first supplied on a very liberal estimate of the necessities of local and way trade, has been gradually extended to meet its increasing demands, and a return of that now in operation on the road will be made by the Superintendent, to whose department it belongs.

It was to be anticipated that on the opening of the through route, its trade would necessitate additions to this stock, and it was prudent to regulate the amount of it rather by positive experience and demand than on estimate. Further augmentation would still appear to be necessary, but being due to a growing extension of trade, it may be made with satisfaction and safety.

The terminal depot service has been completed to a standard sufficient for the immediate necessities of the Company, although, doubtless, future additions will become requisite on the full development of the trade. At the Queen's Wharf, Depots and Engine House, Foundry, Blacksmith's and Car Repair Shops, have been added to the Machine Shop, and will, it is believed, afford ample facility for the repairing service of the road. The freight wharf has been completed, and with the freight house and sheds thereon (ample service by five lines of rail) gives shipping and storage accommodation of a very extensive and permanent character.

A permanent engine stable for eight engines has been erected, and the whole service at the Depot is now commensurate with the requirements.

The delays, however, in the execution of a portion of these works, inclusive of the Queen's wharf bridge and

railroad right of way on the northern limits of this depot, alluded to in my previous report—still obtain; for it would obviously be impudent to embark definitely in these works until those of other railways entering the city from the westward, and those connecting with the city esplanade, have finally been determined.

At Collingwood, a large Passenger Depot Building, with freight house and offices attached, together with an engine stable for seven engines, have been constructed.

The harbour works have advanced very satisfactorily, in point of character, during the past year. An ample freight wharf has been constructed into the deep water, and tracks laid thereon, with freight house at their limit. These provisions were completed ready for the opening of navigation, and the works of protection in pierage and break-water, then also in a forward state, have since been extended. These latter, which are of great importance, and were involved in the selection of the locality, will, I trust, be further extended to a full completion with as little delay as the means of the Company will allow. It is highly satisfactory, however, now that the Harbour has been practically tested, to be able to declare that it approves itself as a safe and commodious harbour, and justifies the favourable opinion which I at first expressed of its fitness for the purposes of the Company.

It will be seen from the foregoing, that all the works necessary to the operation of the through route has thus been brought to a condition of completeness; and I have the satisfaction to report that every contract (with the exception of that for Collingwood Harbour) made by the Company in connection with my department, has been finally closed; and that I am now enabled to submit a final abstract of the certificates issued by me, exhibiting the total expenditure of the Company by my department:—

To M. C. Storey & Co., Contract for construction of Main Road complete	£594,370	4	7	
To Terminal Depot service				
Toronto	£46,162	13	7	
To do. Collingwood.....	31,444	4	1	
				77,606 17 6
To Way Station and General Service.....	49,428	12	3	
To Locomotive and Rolling Stock do.....	87,375	1	5	
To Steamboat Service, Lake Simcoe.....	3,242	3	9	
				£812,022 19 6

This having been done, my work may be regarded as finished, and I have accordingly requested you to permit me to retire from your service as Chief Engineer. In doing so I may be pardoned for expressing, on the termination of my labours, the gratification with which I am enabled to transfer the road in its completed form as a work of permanent stability and efficient character, in full and advantageous operation, and promising, under judicious management, the realization of the most sanguine anticipations indulged in at its initiation by its earlier promoters.

I have the honour to be,

Gentlemen,

Your obedient servant,

FRED. CUMBERLAND,

Chief Engineer.

RETURN OF THE TRANSACTIONS
 OF THE
ONTARIO, SIMCOE & HURON RAILROAD,
 FOR THE
YEAR ENDING 30TH JUNE, 1855.

Length opened on 15th May, 1853, - - - -	30 Miles.
“ on 13th June, “ - - - -	12 “
“ on 11th October, “ - - - -	21 “
“ on 2nd January, 1855, - - - -	31 “
Total, - - - -	94 Miles.

Length of Branches owned by Company laid, - -	15
“ of Double Tract “ - - - -	33
Weight of Rail per yard on Main Tract, - - - -	57 lbs.
Minimum radius of Curvature, - - - -	1432 feet.
Maximum Grade going North, per mile, - - - -	60
“ going South, “ - - - -	52.8
Number of Way Stations, - - - -	10
“ of Flag Stations, - - - -	5
“ of Engine Houses, - - - -	2
“ of Machine Shops, - - - -	1

NUMBER AND CHARACTER OF LOCOMOTIVES.

No. of Engines.	Driving Wheels.		Length of Stroke	Diameter of Cylinder.	Connections.
	No.	Diameter			
1	4	5	20	14	Inside.
1	4	5½	22	16	Outside.
3	6	4½	20	18	Inside.
5	4	5	20	17	"
1	4	6	20	17	"
1	4	5	20	16	Outside.
3	4	5½	20	17	Inside.
1	4	4½	22	16	Outside.

16—Total,

Number of Passenger Cars, 8 wheels (1st Class),	-	-	-	-	-	14
" " " 8 " 2nd "	-	-	-	-	-	6
" Baggage " 8 "	-	-	-	-	-	8
" Box Freight " 8 "	-	-	-	-	-	125
" Platform " 8 "	-	-	-	-	-	165
" Gravel " 4 "	-	-	-	-	-	40
" Hand " 4 "	-	-	-	-	-	20
" Snow Ploughs, 6 "	-	-	-	-	-	3

TRANSACTIONS FOR THE YEAR.

Number of Miles run by Passenger Trains,	-	-	94,155
Mileage of one Car on Passenger Train:			
Passenger,	-	-	202,008
Baggage,	-	-	90,120
			<u>292,128</u>
Miles run by Freight Trains,	-	-	46,301
Mileage of one Car in Freight Train:			
Box,	-	-	181,871
Platform,	-	-	195,977
			<u>377,848</u>

Miles run by Wood Trains, - - - -	11,274
Mileage of one Car in Wood Train, - - -	72,618
Miles run by Trains worked for construction, exclusive of Ballasting, - - - -	22,000
Mileage of one Car for construction, - - -	139,066
Miles run by Ballast Trains, - - - -	25,040
Mileage of one Car for Ballasting:	
8 Wheel Platform, - - - -	196,299
4 " Gravel, - - - -	298,992
(Being equivalent to Mileage by an 8 Wheel Car, - - - -)	149,496
	<u>345,795</u>

MILEAGE OF ENGINES,

(INCLUDING MILEAGE IN DEPOTS, SWITCHING, &c.)

Engines for Passenger Trains - - - -	102,155
do. Freight - - - -	51,290
do. Wood - - - -	12,105
do. Construction - - - -	20,839
do. Ballasting - - - -	30,102
Total - - - -	<u>190,810</u>

NUMBER OF PASSENGERS

OF ALL CLASSES CARRIED IN CARS.

Adults	{ 1st Class - - - -	142,106	}	142,891
	{ 2nd Class - - - -	785		
Children	- - - -	- - - -		3,094
Free, and carried for Construction	- - - -	- - - -		11,055
				<u>157,040</u>

NUMBER OF MILES

TRAVELLED BY PASSENGERS OF ALL CLASSES, OR NUMBER OF PASSENGERS CARRIED ONE MILE.

Adults - - - -	4,227,037
Children - - - -	90,983
Free, and carried for Constuction - - - -	326,000
	<u>4,644,110</u>

Rate of Fare (average per mile), 2.5 cents.

NUMBER OF TONS (2000 lbs.) OF FREIGHT CARRIED.

Moving		1st Class.	2nd Class.	3rd Class.	Wheat.	Flour.	Car L'ds Various.	Total.
North	{ Local	2152½	2281¾	3661	...	11½	888	8994½
	{ Through	294	...	...	...	...	...	294
South	{ Local	583½	464	2327	5163¾	7972½	31310	47820¾
	{ Through	18	24½	5191½	...	...	...	5233¾

Total number of Tons, - - - - - 62,343

Average charge of Freight per Ton per Mile, - - -	3.85 cents.
Total movement of Freight or number of Tons carried one Mile, - - - - -	{ Local, 2,218,569½ } { Through, 525,160 } 2,743,720½
Average rate of speed adopted by ordinary Passenger Train (including stops) per Mile, - - - - -	20 Miles.
Rate of Speed when in Motion, - - - - -	25 "
Average rate of Speed of Express Train (including stops) per Hour, - - - - -	25 "
Rate of Speed when in Motion, - - - - -	30 "
Average rate of Speed of Freight Train (including stops) per Hour, - - - - -	12 "
Rate of Speed when in Motion, - - - - -	16 "

CLASSIFICATION OF FREIGHT IN TONS OF 2,000 lbs.

Description of Freight.	Tons Moving North.	Tons Moving South.	Total Tons.
Of the Products of the Forest, { Local	1927½	31537½	33465
{ Through	...	...	...
" " of Animals, { Local	50	446	496
{ Through	...	2295½	2295½
Of Vegetable Food, including 177,499 bushels of Wheat and 98,149 barrels of Flour, { Local	156¾	14945¾	15102½
{ Through	...	2820	2820
Of other Agricultural Produce, { Local	...	188	188
{ Through	...	24½	24½
Of Manufactures, - - { Local	8	...	8
{ Through	...	76½	76½
Of Merchandise, - - { Local	7414¾	...	7414¾
{ Through	294	17½	311½
Of other Articles, - - { Local	40	101½	141½
{ Through	...	½	½

Total, - - - - - 62,343

EXPENSES OF MAINTAINING AND OPERATING THE ROAD.

	ALLOTTED TO			Total.
	Construction.	Passenger Traffic.	Freight Traffic.	
Stationery Printing, and Advertising, -	..	£448 19 8	£448 19 8	£897 19 4
Repairs of Buildings, &c., -	..	36 10 10	144 10 3	
Switchmen, &c., -	..	863 12 6½	1532 19 10½	4599 1 1½
Station Masters, -	..	803 4 2	803 4 2	
Fuel, -	..	74 13 9	74 13 9	
Sundries, -	..	145 17 9½	119 14 0	
Secretary, -	1746 5 5
Superintendent, -	..	1065 5 2	681 0 3	
Clerks, -	
Office Expenses.	2939 11 4
Conductors, Baggage men and Brakesmen, -	..	1529 3 5½	...	
Oil and Waste, -	..	158 2 8	...	
Car Repairs, -	..	776 17 8	...	
Sundries, -	..	475 7 6½	...	
Freight Train Expenses.	2523 16 0	4707 11 3
Conductors and Brakesmen, -	283 9 7	
Oil and Waste, -	872 0 3½	
Car Repairs, -	270 16 0½	
Taxes on Real Estate, -	..	491 17 11	251 15 4	743 13 3
Water Supplies, -	200 9 9½	517 5 1½	306 17 0½	

Wood and cost of preparing it, - - - - -	1598	14	3½	2984	0	10	2086	15	9	6669	10	10½		
Maintenance of Permanent Way, - - - - -	...	...	...	4609	0	9½	2981	15	3	7590	16	0½
Maintenance of Locomotive { Repairs of Locomotives, - - - - -	1267	8	7½	3465	11	6	2105	19	3	10555	1	5½		
{ Enginemen & Firemen, &c., - - - - -	...	...	...	1442	15	3½	1290	13	5			
Power. { Oil and Waste, - - - - -	251	11	7	462	6	10	268	14	11½	5	3	3		
Storage Expenses - - - - -	...	...	...	...	...	...	5	3	3	405	3	1½
Miscellaneous Disbursements, - - - - -	...	...	...	245	17	10	159	5	3½	10	0	0
Demurrage, - - - - -	...	...	...	...	...	...	10	0	0			
	4075	13	7½	20596	11	4½	17222	3	4½	41894	8	5		
	Deduct from Grand Total proportion allowed to Construction,													
										4075	13	7½		
												£37818	14	9½

EARNINGS.

FROM	Total Earnings from all sources from July 1, 1854, to June 30, 1855.	General Total.
Passenger - - - - -	£26906 7 4	
Freight - - - - -	26238 10 10	
Other sources, Storage - - - - -	112 18 3	
	101 0 0	
		£53358 19 9

STATEMENT OF THE NUMBER OF GRIST MILLS

ON THE LINE OF THE ONTARIO, SIMCOE AND HURON RAILROAD, SHEWING THE
FLOUR GROUND PER EVERY 24 HOURS.

Number of Mills.	Power.	Run of Stones each	Total Run of Stones.	Barrels of Flour.
7	Steam,	2	14	220
6	"	3	18	490
2	"	4	8	300
1	"	7	7	100
	16		— 47	— 1110
2	Water	1	2	40
14	"	2	28	904
1	"	3	3	75
1	"	4	4	60
	18		— 37	— 1079
Total.	34		84	2189

STATEMENT OF THE NUMBER OF SAW MILLS
ON THE LINE OF THE ONTARIO, SIMCOE AND HURON RAILROAD, SHEWING THE
AMOUNT OF LUMBER CUT PER EVERY 24 HOURS.

Number of Mills	Power.	Number of Saws each	Total Number of Saws.	Total Number of Feet Cut.
40	Steam,	1	40	142000
8	"	2	16	66000
4	"	3	12	39000
1	"	8	8	12000
2	"	27	54	93000
	55		— 130	— 342000
45	Water,	1	31	135000
3	"	2	6	26000
1	"	3	3	10000
	49		— 40	— 171000
Total.	104		170	513000

TRAFFIC RETURN FOR TWO MONTHS,

Ending 30th June, 1855.

(94 Miles open):

34,062 passengers -	-	-	-	-	-	\$31,113.05
16,783 tons freight -	-	-	-	-	-	33,649.52
Other sources -	-	-	-	-	-	371.25

\$65,133.82

Corresponding Months in 1854:

(63 Miles open):

23,509 passengers -	-	-	-	-	-	\$13,786.26
8,660 tons freight -	-	-	-	-	-	10,915.83
Other sources -	-	-	-	-	-	293.28

\$24,995.37

Increase in 1855 - \$40,138.45

Earnings per mile, in May and June, in 1855 -	-	-	-	-	-	\$692.91
Do. do. in 1854 -	-	-	-	-	-	396.74

Increased earnings, per mile, in May and June, 1855 - \$296.17

SUPERINTENDENT'S OFFICE,
TORONTO, 1st July 1855.

A. BRUNEL,
Superintendent.

STATEMENT OF THROUGH PRODUCE, RECEIVED AND SHIPPED FOR DIFFERENT PLACES,
AS UNDER, TO 1st JULY, 1855.

Where for.	Barrels Flour.	Barrels Pork.	Dry Hides.	Barrels Lard.	Half Barrels Lard.	Tierces Lard.	Half Barrels Pork.	Bars Lead Pipe.	Boxes Sheet Lead.	Keys Lead.	Barrels Hams.	Casks Hams.	Green Hides.	Boxes Lead.	Casks Shoulders.	Barrels Tallow.	Boxes Bacon.	Boxes Candles.	Bales Calf Skins.	Pigs Lead.	Hogsheads Tobacco.	Boxes Tobacco.	Bags Corn.	Bags Wheat.	Bags Peas.		
Montreal,	8210	3070	3068	441	165	22	200	6	5	8	227	56	328	171	46	80	50	10	36	30	10	1	1007	.....	.....	.....
Syracuse,	99	223	544	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	50	.....	.....	18	.....	2	.....	1129	711	3	.....
Ogdensburg,	1369	673	.....	80	105	10	.....	.....	.....	.....	.....	.....	.....	.....	.....	41	.....	.....	2	.....	.....	.....	2017	2017	60	.....
Boston,	3364	.....	.....	14	.....	.....	.....	.....	.....	.....	.....	4	.....	.....	.....	100	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Hamilton, .....	.....	.....	.....	.....	.....	.....	4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Quebec, .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Albany,	80	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Concord,	350	98	.....	3	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Philadelphia, .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Cape Vincent,	50	2	.....	.....	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bradford, .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Oswego,	486	122	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
New York,	8170	1130	784	1584	144	.....	.....	.....	.....	.....	.....	782	55	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Toronto, .....	.....	18	.....	304	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total,	22178	5336	4396	2156½	424	32	204	26	25	11	229	843	383	174	298	613	54	672	54	30	10	3	2300	334	221	.....
Tons,	2328½	653½	48½	323½	37	8	164	26	12½	14	36½	467½	11½	26½	164	92	14	20	13	1½	6	4	161	255½	15½	.....

STATEMENT OF THROUGH PRODUCE RECEIVED AND SHIPPED FOR DIFFERENT PLACES,
AS UNDER, TO 1st JULY, 1855.—Continued.

Where for.	Reapers.	Half Barrels Fish.	Kegs Lard.	Bags Oats.	Bags Feed.	Bales Wool.	Firkins Butter.	Barrels Beef.	Barrels B. Corn.	Barrels Eggs.	Tierces Hams.	Barrels Staves.	Barrels Sausages.	Barrels Sides.	Barrels Rumps.	Barrels Bacon.	Barrels Potatoes.	Tierces Eggs.	Firkins Lard.	Casks Sides.	Barrels Ashes.	Piano.	Barrels Grease.	Heads Cattle.	Coils Lead Pipe.	Boxes Wine.	
Montreal,																											
Syracuse,																											
Ogdensburg,	1																										
Boston,		50	50	43	207	36	81	102																			
Hamilton																											
Quebec,																											
Albany,									82																		
Concord,																											
Philadelphia,																											
Cape Vincent,																											
Bradford,	10																										
Oswego,		138				4				8																	
New York,		40				287	99	10		143	10350	6			4	330	1	2	483	9			60	39	4		
Toronto,				997																							
Total,	11	229	50	1040	207	327	180	112	82	151	10350	6	1	193	4	838	1	2	483	9		160	39	4	1		
Tons,	54	174	24	354	10	32	9	18	8	15	284	1		193	4	114	4	4	45	24	4	9	193	4	1		

Amounting to 52334 tons

THROUGH FREIGHT GOING NORTH,
Up to July 1, 1855.

	GENERAL MERCHANDISE.						
To Chicago	-	-	-	-	-	-	123 tons.
" Kenosha	-	-	-	-	-	-	4 "
" Racine	-	-	-	-	-	-	6 "
" Mackinaw	-	-	-	-	-	-	34 "
" Milwaukee	-	-	-	-	-	-	35 "
" Sheboygan	-	-	-	-	-	-	15 "
" Green Bay	-	-	-	-	-	-	47 "
" Bruce Mines	-	-	-	-	-	-	12 "
" Sault Ste Marie	-	-	-	-	-	-	18 "
Total	294 tons.