

portion, viz., 15 per cent., and the Canada Southern the next, viz., 14 per cent., both the same as in 1889.

572. There was an increase of 1,540,505 barrels in the quantity of flour carried, of 18,730,617 bushels in the quantity of grain, of 2,080,653 in the number of live stock, of 356,182,231 feet in the quantity of lumber, of 1,153,140 tons of manufactured articles, and of 607,747 tons of miscellaneous matter. The only decrease was 110,967 cords in the quantity of fire-wood carried.

Increases and decreases in freight.

573. The cost of a railway, it has been said, should not be more than ten times its annual traffic—that is, that the annual traffic should be 10 per cent. of its capital cost. If this standard is applied to Canadian railways their cost will be found to very far exceed the limit, as in 1889 the gross receipts only amounted to 5.95 per cent. of the total capital expenditure, the theoretical cost having been \$468,438,260 and the actual cost \$786,447,812. In the United Kingdom, France, Germany and Italy the cost of railways is above this standard, while in British India, Belgium, Russia and the United States it is below it.

Proportion of traffic to capital cost.

574. The following table shows the cost and cost per mile, both actual and theoretical, of some of the principal railroads in Canada in 1890. Rolling stock is in most cases included in the cost :—

Actual and theoretical cost of railways in Canada.