

On the Grand Trunk the express mileage is only half the mail mileage, where there are two passenger trains daily. On the Great Western it is less than the mail mileage;* but on the New York Central they are equal on the main route—and so great is the bulk and weight that in some trains several cars are required for the express, while no additional ones are needed for the mails.

As to the service itself, it appears that we have in certain districts two sorting cars daily, while only one is used on more important routes in the United States, and that this is because both trains do not stop at all stations. If two sorting cars are to double the value of the highest rate demanded, it will be necessary to serve the smaller stations by side service from the larger ones: for small places have no greater claims to increase the Post Office outlay because they happen to be near a main line, than the larger places more distant from it which are not so favored—merely because the railway commenced a speed and frequency of trains which it has been unable to continue.

There is an important distinction between an arbitration to meet the requirements of the Grand Trunk Company and that which is obtainable in England,—which makes our position, strange to say, worse than that admittedly bad one. The amount fixed will be the basis for an issue of bonds: if excessive it cannot virtually be set aside—as is done in England when a change of service abolishes the existing award—because it is not within the limits of probability that our Postmaster-General will assume the responsibility of changing the hours and regulating the working of mail trains, as is done in England: moreover, a reduction would destroy the bond basis and aggravate our moral responsibility. If hours of starting and stopping are prescribed, the Company can make out a case for the whole cost of the train, on the ground of "interference;" and Mr. Brydges warns us that the average earnings of passenger trains do not amount to 75 cents per mile run, while the cost is very nearly \$1 per mile.

The principles on which payment ought to be made, should be asserted by the Legislature. Mr. Cardwell's committee of the House of Commons in 1853, laid down the principle that the railway should receive no more than the public would be required to pay for the same service.

Rowland Hill, from whom, says Capt. Huish—the railway manager opposed to him—"every thing which emanates is characterized by sound, practical common sense," went further, and insisted that Parliament should not only fix the principles, but the rate itself. Under any circumstances a maximum rate should be fixed by the Legislature for the different classes of service, as Congress had done. Without this it will be in the power of an umpire to bind the Province to an annual tribute to the Railway interest—over and above the commercial value of the service—sufficient to subsidize a line of ocean steamers: for the main objection to arbitration upon the English plan is that the Government and Legislature delegate the whole question of the amount to be paid—to one person over whose appointment they have no control. It is true that the Post Office arbitrator has a voice in naming the umpire, but he cannot object to the railway nominee except for cause, which cause cannot be demonstrated until the mischief is done. The first umpire will virtually settle the whole question.

* This line has foreign as well as Canadian services.