

The subject has been pressed on my attention from many different quarters, and under circumstances, both physical and economical, as distinct and as various, as are the conditions of those widely extended settlements.

To attempt to lay down any one set of Rules, or even a single Rule, binding inflexibly on the Executive Governments of them all, would obviously be futile and impracticable.

But the experience of this Country has ascertained some general principles on the subject, the application of which is neither transitory nor local, but which it may now be presumed, are applicable in various degrees to the Legislation of every Country in this new field of Inquiry. The object of this Despatch is to state compendiously what those Rules or principles are.

It will, however, be convenient that you should be in possession in the utmost practicable detail of all the provisions which have been established, either by positive statutes or by standing orders of both Houses of Parliament, for the more effectually preventing the evils and securing the advantages incident to the creation of new lines of Railway in this Country. I subjoin a list of the various documents of this nature which accompany this despatch. You will of course find in them much which could not be applied to the circumstances of the Colony under your Government. But you will also find much which will greatly abridge the labor of drawing up any Railway Acts, and much which embodies in a small space the results of long and laborious investigations and of very costly experiments. But whatever may be the utility or the inutility of such details, I revert to the more general topic which has been already mentioned.

1st, then, it is necessary that it should be expressly stipulated in the formation of every Railway Company that the Legislature shall be free by any future enactments to repeal, alter, or amend any part of the original grant, without being responsible on that account to provide compensation or indemnity to the shareholders. It is of course assumed that in the exercise of this reserved authority the Local Legislature will always respect the obligations of justice and sound policy. But to attempt once for all to enact a law of this kind, which is thenceforward to remain unchangeable, unless the concurrence of the shareholders can be obtained or purchased, would be to subject society at large to all the hazards of what must at first be a precarious and doubtful experiment.

2nd. You will regard it as an indispensable preliminary to the enactment by Her Majesty of a Railway Bill, that of the proposed capital one-tenth at least should have been actually invested in good and available securities for the prosecution of the work.

3rd. Every Railway Bill ought to contain provisions for the conveyance of the Royal Mails. The object of such provisions should be to secure moderation in the charges of conveyance, and to afford the utmost possible facility for the effectual discharge of this branch of the public service. Reference may be made on this head to such sections of the Imperial Railway Acts as relate to it.

4th. Every such Bill should also contain all necessary provisions to insure the prompt and punctual conveyance of H. M. Forces whether belonging to the Regular Army or to the Militia, and all Policemen, Constables, or others travelling on H. M. Service. Rules of this nature will be found in the accompanying Acts of Parliament.

5th. In the contingency of Electrical Telegraphs being established on any line of Railway, provision should be made for a proper control and superintendence of them according to the terms or spirit of the Section of the Act of Parliament on that subject.

6th. The Statute 7 and 8, Victoria ch. 85, Sec. 1, contains a provision respecting the revision of the scale of Tolls on Railways, and the fixing a new Scale in cases where after 21 years the profits shall have exceeded 10 per cent. The principle of this Clause with the substitution of 15 per cent. for 10, and of seven years for