RAILWAY LIFE

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Our readers are requested to send us court decisions and newspaper clippings relating to railway interests.

It is desirable that communications, new advertisements and changes in old advertisements be handed in before the 10th of the month.

W. B. CAMPBELL, *Publisher.*

Offices—61 Bay Street, Toronto.

TORONTO, APRIL, 1887.

INTER-STATE COMMERCE LAW.

NOTWITHSTANDING the many important subjects pressing for attention in our columns, we have deemed it wise to give up a large portion of space in this issue to matter relating to the new Inter-State Commerce Law of the United States. We do so believing that this is the most important subject that is before the railway world of America at the present day, and we regret very much lack of space as well as lack of ability to give our readers as comprehensive a view of the question as we would desire.

The coming into force of the Law on April 4th was marked by the loyal acceptance of the situation by practically all the railways of the United States. But, while willing to accede to the demand of the law, there was a strong and apparently well-founded request on behalf of certain southern roads that the Commission should use its power of suspending "the long and short-haul clause," as it is called, for a time, until their position could be more definitely ascertained. The great argument in support of this view and that which seems to have prevailed was that the competition by water in the great navigable rivers would ruin the roads if the letter of the law, as they interpreted it, were enforced. The Commission acceded to the request and suspended the action of the clause, as relating to these roads, for 90 days. It seems to be generally agreed that by this action the Commission has averted a disaster, but at the same time it is manifestly unfortunate that such a step should be necessary at the very inception of the new *regime.* There are those who even now contend that the clause does not mean what the southern railway men thought it meant, and that it would have been better to have refused to obey an interpretation which would be ruinous to them, and appeal to the courts for a ruling. If the decision went against them they could then ask for a suspension. Some such thought as this seems to have been voiced in his own sententious way by Mr. Jay Gould when, in talking to a reporter in St. Louis, he said:

"I think that the law should have had a thorough test before suspending any of its features. It would have been more satisfactory to the public to have first demonstrated that that feature should be suspended than to suppose it would and suspend it on a supposition."

There are many different interpretations of the clause which has been thus suspended in relation to some roads, and as there is nothing like speaking by the book in such matters we give the clause entire:

Sec. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kind of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line, in the same direction, the shorter being included within the longer distance; but this shall not be construed as authorizing any common carrier within the terms of this act to charge and receive as great compensation for a shorter as for a longer distance; provided, however, that upon application to the commission appointed under the provisions of this act, such common carrier may, in special cases, after investigation by the commission, be authorized to charge less for longer than for shorter distances for transportation of passengers or property; and the commission may from time to time prescribe the extent to which said designated common carrier may be relieved from the operation of this section of this act.

The views of the associated southern roads and all others interested as to the effect of this clause will be received by the Commission at sittings, to be held this month at Atlanta, New Orleans and Memphis. During the suspension of the clause the roads are entitled to charge the rates in force on March 31st last. Strong arguments will be urged why the southern roads, having to face water competition, should be allowed to charge differential rates. But the law is one for the United States, as a whole, and to make different rules for different parts of the country will set at naught the first principle of the Bill, which was to regulate by a Federal law the Inter-State Commerce of the country. Moreover, the southern roads are not the only ones affected in this way. The Great Lakes are a highway of commerce and with the Lachine and Erie Canals are the route of unlimited trade. If the through railways from Chicago to New York are compelled to charge a mileage rate it must mean the diversion of a vast portion of the traffic to the lakes, and the northern roads will hardly be content to rest under this disability. Nor is it to be supposed that water competition is the only reason which will justify suspension of the clause in special cases. Suspensions will be demanded on behalf of other roads and may have to be granted. In its minor points the Bill is proving a gratifying success, but its chief feature seems to be unworkable in the only sense in which it seems fair to interpret it.

THE DISALLOWANCE QUESTION.

A very important question to come before the Dominion Government is that of the disallowance of railway charters, passed by the Manitoba Legislature, for roads which may divert traffic from the Canadian North-West into the United States, instead of through our own territory and our own ports. The people Manitoba demands freedom in chartering roads, judging by the fact that every member elected to the House of Commons from that province is pledged either by the policy of his party or by more or less direct promise to use his utmost influence to prevent the disallowance policy being carried further. There was a time when it was contended by some that the bargain with the Canadian Pacific Railway Company binding the Government not to author-