

paid by the Government as only on account, and so to enter the same in the books of the Company, and to charge the Government at the rate of one hundred and ten dollars per mile. I cannot say whether any of my protests or remonstrances were made in writing to the Government or the Post Office Department without making search at Toronto, I being at the time of making this affidavit in circuit.

JOS. C. MORRISON.

Sworn before me, at the City of Kingston,
this 23rd March, 1865,

HENRY SMITH,
A Commissioner, B. R., County of Frontenac.

Mr. Griffin's examination, resumed.

BY THE CHAIRMAN:—

838. At what rate has the Northern Railway been paid for its services by the Post Office since the Order in Council of September, 1858?

From the 1st of January, 1859, at the rates prescribed by that Order. There was a settlement of all claims up to January, 1859.

839. Has there been any protest, formal or otherwise, by the Northern Railway since January, 1859, as to the insufficiency of the payments made to them?

Not, I think, until the general question of the Postal Railway rate was taken up by the late Postmaster General. Their accounts were furnished quarterly at the rate of \$30 per mile, and paid quarterly.

BY MR. CUMBERLAND:—

840. Are you not aware that one of the grounds of the appeal for relief made by the Northern Company to the Government and Legislature in 1859, was the inadequacy of the postal payments, and that in the Annual Reports since that date, the insufficiency of the mail payment has been adverted to and protested against?

It may very well have been so, but I don't think I ever read either the appeal you speak of or one of your annual reports.

841. Was my Company ever officially consulted by your Department, as to the rate in its opinion due for the mail service, in any way whatever, until Mr. Mowat recently invited our opinion?

Yes, it was a subject of frequent official discussion with the representatives of your Company.

842. Name them please?

I think the Hon. Mr. Morrison certainly.

843. Did he ever sanction the rate of \$30 per mile per annum?

I really cannot say.

844. Is not steamboat service cheaper than rail service for the carriage of mails?—and, if so, do you think it equitable to allow all mail steamers connecting with the Northern Railway a higher rate on their mileage than you accord to that Company.

The price paid to steamboats depends I may say altogether upon the presence or absence of competition, and under those conditions the steamboats get as much as they can.

845. But the Railway Service being obligatory, I suppose you pay them what you like?

The statute certainly protects the Post Office to some extent from the exercise of a similar monopoly of transport on the part of the Railway.

W. H. GRIFFIN.