

If it is to be carried forward at a loss, who should bear that loss? Your Company which unauthorizedly and improperly brought it there, or our Company which had previously notified your Company of its incapacity to carry it, and had taken ample means to prevent the possibility of your expecting we would carry it?

The answer, which any impartial person would give to these questions cannot be doubted for a moment. It is the Railway Company who caused the difficulty, who should bear the loss if there is to be any; and not the Steamship Company, who have not participated in bringing about the difficulty, but who did their best to prevent it.

We did not ask you to pay the expense of carrying freight from Portland to Liverpool, brought to *us* at Portland free of expense, as you suggest in your letter; but, instead, we offered you the use of our extra steamers, for the mere cost of running them, free of charge for hire, interest on capital employed, or for sea risk, for the sole purpose of carrying from Portland to Liverpool the freight which your Company was anxious to bring there for its own purposes from the Western States, in excess of the capacity placed at its disposal by the steamers of the regular Mail Line, and for which we would have no responsibility whatever.

When you state that the New York Steamship Companies are placed in precisely the same condition that we are, and yet find it to their interest to send their ships across the Atlantic light one way, rather than let them remain idle, it must surely have escaped your notice that, in our communication of the 18th instant, we informed you that the minimum rates from New York were 55s. stg. on through provisions, and 60s. stg. on local shipments; whereas, the freight accruing to our steamers on Western States provisions, taken to Portland by your road, was only 24s. 10d. to 27s. 8d. stg. per ton.

In arriving at your conclusion, you must also have overlooked the facts that the steamers to New York have a larger local inward trade than is available to us, and that where in their case, the bulk of the freight is net to the ships, in the case of our steamers these earnings are reduced by the large proportions payable to your Company for conveyance of the goods to destinations.

You have doubtless also neglected to take into account the large sums received as passage money, on both the inward and homeward voyages of the New York boats, and which are simply enormous, in comparison with our revenue from a similar source, during the winter months.

As a proof of the excess in earnings obtained by vessels from New York over those of steamers from Portland, we may state that our sailing ship *Strathearn*, which left New York for Liverpool on the 5th inst., had a net freight list of £5,447 14s. 9d. stg.,—a sum exceeding by up-