

meantime receiving what the Government tendered on account. In 1858 an order in Council fixed the price of \$30 per mile per annum for each day train, and \$40 for each night train carrying a mail, over every railway without reference to the weight or bulk of mails. In 1853 the Company made an offer which the Government would not take the responsibility of accepting—as binding them for any fixed period—but paid nevertheless at the rates demanded. In 1858 the Government fixed a rate which the Company in their then position as prospective applicants for further aid, (which they received in 1860) did not protest against—most probably because it was unnecessary, for their accounts shew that down to the end of 1860 they were paid at the old rate, notwithstanding the order in Council of 1858.

In 1860 this Company became bankrupt, and a Committee of Bond and Shareholders virtually took its affairs out of the hands of its former managers, and made their first report in December of that year. In this they suggested that “one of the easiest and fairest means of obtaining present financial relief for the company, would be the capitalization by the Province of the annual amount to which the Company was entitled, for postal service”—the extreme inadequacy of the payment for which by the Canadian Government, they drew attention to. They said that “the great object to be accomplished was the raising of two or two and a half millions sterling—and that the Company had a right to look to Canada [for the third or fourth time] for aid,” on the ground of our moral responsibility. Mr. Newmarch, the moving spirit in the matter, and understood to speak the views of the Messrs. Baring, declared at the public meeting which followed, that “at this crisis of our fate we have a fair right to look for assistance to the Canadian Government. Now there is a mode of affording assistance, and that is by increasing the postal subsidy. So strongly has the Company felt the inadequacy of this payment, that up to this time they have only accepted the money on account. If it should appear that we can substantiate a claim of £85,000 or £95,000 sterling per annum, (\$420,000 to \$470,000) there will be some considerable arrears to draw from the Government of Canada, on account of the subsidy.”

In the second report of the above committee, in July, 1861, they recommended that “the Canadian Government be applied to, to advance to the Grand Trunk Company, in Province bonds, bearing five per cent. interest, payable in London—a sum of one and a half millions sterling, as the payment for twenty-five or thirty years, of the total amounts for postal and military subsidy—reasonable provision being made for limiting the extent of the service to be required by the Province.” This would be about six times the amount now fixed by law; and the Committee admitted that they might be charged with “reckon-