

upon which the through rates at which business is carried by our Railway and your Steamships, have been agreed upon from time to time by mutual arrangement, and the divisions which are now in force are those which have been so settled, and about which, as I have already said, your Mr. Allan told me he had no complaint to make.

In regard to the proportions of through and local business, I have only to say that your firm have always expressed an anxiety to secure a proportion of the through freight from Chicago, and have urged us to get as much of it as we could; and if I am not entirely misinformed, and I know that what I say is correct, your Steamship Company is now, and has been carrying from Chicago to Liverpool, through Baltimore, provisions and other property at through rates, which do not materially differ from those we carry at, in connection with your ships from Portland; and in regard to this question I may remark, that I am now carrying freight for Liverpool from Chicago, over our line between Detroit and Buffalo in connection with steamers from New York, on through bills of lading, on terms similar to those at which I have been carrying freight *via* Portland, and the steamers from New York are well satisfied with the arrangement, and readily carry off all we take there. I should prefer much taking this freight to Portland, if you would let me do so.

We have so far shipped for your steamers about 7,000 tons of freight from Canada by Portland, and could easily make that 7,000 tons four or five times as much, if you were in a position to forward it.

In regard to the question of stiffening cargo, which I see you refer to in your letter, I must say that I always accepted your statement upon that point as absolutely correct, not having myself any knowledge whatever upon the subject: but I am bound to say, that having conversed with many steamship people in New York, I was surprised to learn that they absolutely discarded the idea of there being anything else required to load a ship than boxed meats or provisions. One of the oldest and most experienced captains in the Cunard service, told me that he had frequently taken his vessel to sea with no other cargo than the class of provisions which usually come under the head of boxed meats from Chicago, and that he considered that such a load was all that any vessel required, and that he would never have any hesitation in going to sea without a pound of any other description of freight on board. The same statements were made to me in other quarters besides the Cunard Company.

I cannot conceive it possible that the "Allan" ships are constructed on different principles to those of the other lines running across the Atlantic, or that they require any different kind of cargo than that which other Companies find it perfectly possible to get along with.

I regret, of course, very much, the position in which the whole matter