

REPLY

OF

ROBERT STEPHENSON, Esq., M.P.,

President

OF THE

INSTITUTION OF CIVIL ENGINEERS,

TO OBSERVATIONS IN THE

SECOND REPORT

OF

THE POSTMASTER-GENERAL.

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*BY PERMISSION OF THE COUNCIL.*

EXCERPT MINUTES OF PROCEEDINGS

OF THE

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1856.

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O F
T H E P O S T M A S T E R - G E N E R A L .

MEETING OF MAY 20TH, 1856.

GENTLEMEN,

You will no doubt remember, that on taking this chair for the first time after election to it, I addressed you, according to the custom of the President of the Institution, upon matters of interest connected with Civil Engineering. The special points to which I directed your attention, were connected with the rise and progress of the railway system in this country; and amongst other matters referred to, were the facilities afforded by railways to the Post-Office, which were described "as of the highest public consequence." In enumerating those facilities, I observed that speed might, at first sight, appear to be the greatest item in the catalogue. But, I said (p. 13), "it may be doubted if it is the most important":—"What is really of the greatest value to the Post-Office, is the facility afforded of carrying bulk." And then I went on to state that, "without railway facilities, it was not too much to say, that the excellent plans of Mr. Rowland Hill for the reduction of the rates of postage, could not have been carried out to their full extent," and to give a variety of reasons in support of that position.

I had hoped, that throughout the section of the Paper in which this subject was considered, I had guarded myself very carefully against the slightest appearance of impugning the merit of Mr. Hill's plan, or its influence for good upon the British people, as no one can appreciate more thoroughly than I do the

value of the Penny Postage system, and the boon it confers upon the public. It has been, therefore, with some regret that I have seen in the "Second Report of the Postmaster-General on the Post-Office,"* observations upon the Railway Companies of England and upon my own statement, which appear to misconstrue the object of my remarks.

The tendency of the Post-Office Report is to depreciate the advantages afforded to the Post-Office by railways. It is said that the railway working is "so irregular as to require from the Post-Office serious and repeated remonstrances" (pp. 11—12), and also that against the advantages afforded by railways "there is an important set-off in increased expenses" (p.14); that "that change, which to the public at large has so much reduced the charge for the conveyance, whether of persons, or goods, has had precisely the reverse effect as regards the conveyance of mails." (p. 15.) It is also alleged, that the claims of the companies are often exorbitant, and that the loss inflicted upon the companies by the Post-Office, in undertaking the carriage of parcels by their Book Post, is not, as the railways allege, "an injury, but is, in reality, a benefit," and that even if it were otherwise, the companies "are compensated by the law relieving newspapers from the compulsory stamp, which has largely transferred the conveyance of newspapers from the mail bags to the luggage vans." (p. 15.) Annexed to the Report, which contains these statements, is a letter from Mr. Page, the Inspector-General of Mails, who carries these allegations still further, for he declares (p. 46) :—

1st. "That the increase which has taken place in the weight of the mails, would have presented no difficulty in their conveyance by mail coaches."

2nd. "That since the transfer of the mails from coaches to railways, the cost of transmission has increased, in a far greater degree, than it would probably have done, had railways never been constructed."

These are startling assertions. If true, they are not only a complete answer to my statement, but they prove, that for the purposes of the Post-Office, we had better have been without railways. "For," says the Report, at p. 48, "not only would penny postage, without railways, have been both practicable and remunerative, but

* Dated 30th Jan., 1856, and presented to both Houses of Parliament by command of Her Majesty.

it would have been even more profitable, (assuming the existing increase of letters) than it now is."

I shall endeavour in reply, not only to sustain my own argument, but to show, that the assertions contained in the Report are fallacious; and that on the contrary, railways, viewed in reference to postal facilities, are "the great public instructors and educators of the day."

The Post Office Report commences with certain admissions. It introduces the subject by the following sentence (p. 13): "Increased use has been made of several of the railways."

Now, if the railways are so irregular, if their claims are so exorbitant, and if, as the Report says, the same work could be done by the old mail coaches at much less expense, why is "increased use made of the railways?"

The next sentence states, that "By means of the establishment of an additional express mail train from London to Dover, . . . a much later dispatch from London of the day mail to France has been afforded, the time being now as late as 1.30 p.m. This change, besides affording to the merchants in London the opportunity of replying, the same morning, to letters from France, received by the night mail, admits of letters from Scotland, Ireland, and the north and south-west of England, which arrive in London by the day mail, being sent forward by the day mail to France, instead of being detained, as previously, for the night mail." (Rep., p. 13.)

The Post Office claims the merit of this. Nothing is said of the facilities afforded by the railway. The mail, here referred to, leaves London at half-past one in the afternoon. It stops only at the four junction stations on the line;—Reigate, Tunbridge, Ashford, and Folkestone;—reaching Dover at four o'clock, and thus, in two hours and a-half, carrying all the correspondence with Europe to the confines of England. Twice a month this train carries the Indian mail. It conveyed, last year, nearly two million letters, exclusive of newspapers, to and from the army and navy in the Crimea (Report, p. 17). It will thus be seen, that this train performs important services for the Post Office and the public, and that it travels with great speed. The Post Office complains that the South Eastern Railway Company are exacting "enormous prices," because they pay for the service of this train at the rate of 2s. 3d. per mile! But when it is considered that this train was put on purely for Post Office purposes,

and that the ordinary train, which previously left at the same hour, has not been superseded, but has been put back, in order to give facility to this train, the rate charged cannot be considered unreasonable:—in my opinion it is too low.

“Experience,” says the Report, “has confirmed the advantages to be derived from the use of Travelling Post Offices, and several additional offices of this kind have been provided. Much greater use has also been made of the apparatus for exchanging mail bags.” (p. 13.)

The Report argues, that Mr. Rowland Hill's plans would have been as well carried out, under the old mail coach system, as under the railway system. If so, what are “the advantages derived from the use of Travelling Post Offices”? There was no “Travelling Post Office” on the Holyhead road: why should there be a Travelling Post Office on a railway? The answer obviously is, that the immense increase of correspondence renders necessary new appliances; that if the letters all remained to be sorted when they arrived at what are called the “forward” offices, the delay would be so great, that the public would have to wait much longer for their letters.

It is further said (p. 14): “Against these great advantages, there is an important set-off in increased expense; for, strange as it may seem, the change which to the public at large has so much reduced the charge for the conveyance, whether of persons or of goods, has had precisely the reverse effect as respects the conveyance of mails.”

Now, I am prepared to shew that, notwithstanding the enormous increase in their bulk, there has been no real increase in the charge for conveying the mails.

The charge for conveyance of the mails by railway is stated at page 14 of the Report, to be as follows:—

MAILS CONVEYED BY RAILWAYS.					
	Average charge per mile.		Maximum.		Minimum.
	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>	<i>d.</i>
England	0	9 $\frac{1}{4}$	4	10	0 $\frac{1}{4}$
Ireland	1	5 $\frac{1}{2}$	4	6	0 $\frac{1}{4}$
Scotland	0	8 $\frac{3}{4}$	3	2	0 $\frac{3}{4}$
United Kingdom ..	0	10	4	10	0 $\frac{1}{4}$

The rates, therefore, for conveying the mails on railways are very unequal: varying from $\frac{1}{2}d.$ a mile to $4s. 10d.$, according to the services performed. The rates paid to the old mail coach proprietors were also very unequal; varying from nothing to $1s.$ per mile. But the fact is, that whilst the payments by the Post Office to the railways, represent all they get for conveying the mails, the payments by the Post Office to the mail coach proprietors only represented, in a very minor degree, the cost to the public of conveying the mails, and the advantages to the coach proprietors consequent on carrying them.

All mail coaches in England were entirely free from tolls for the maintenance of turnpike roads, the cost of which is now, in effect, transferred from the public to the railways. Mr. Harker, the Surveyor and Superintendent of Mail Coaches, gave evidence before the House of Commons, in 1811, that "the toll duties from which the mail coaches were exempted amounted to nearly $\pounds 50,000$ a-year," upon the very limited mileage then performed. This evidence was confirmed by Sir Francis Freeling; and, taking all the data that can be obtained upon the subject, no doubt remains that the tolls on turnpike roads in England and Wales averaged, for a coach with four horses, nearly $5d.$ per mile. From this heavy payment the mail coaches were free; though, of course, the charge had to be borne in another shape by the Public. Besides this, it is to be remembered, that the mail coach was, in many cases, paid for by the Post Office, at the rate of $1\frac{1}{8}d.$ per mile. I will not, however, include that as a distinct item in my computation, but will reckon tolls and coach together as costing $5d.$ per mile. Beyond this, I may add, that whenever the bags were large and bulky, the Post Office paid extra. They then took the places of the two outside passengers, allowed to be carried on the roof of every mail coach (exclusive of the box seat), and whose fares probably averaged $2d.$ per mile each. In many cases, also, the Post Office was obliged to employ extra post-chaises and coaches, to carry the mails. The Greyhound Coach, from London to Birmingham, was permanently engaged for the carriage of newspaper-bags between London and Birmingham, at the rate of $1d.$ per pound, or $\pounds 9. 6s. 8d.$ per ton, for the newspapers carried.

The old mails, therefore, cost as follows:—

Payment by Post-office for working...	...	$2\frac{1}{2}d.$ per mile.
Exemption from toll, with coach, say	...	$5d.$,,

$7\frac{1}{2}d.$

without occasional extra payments. So that the real sum allowed for mail coaches was nearly as large as the sum allowed to railways.

But the Post Office Report (p. 48) admits that the mail coaches which formerly carried the mails now leave London "in a concentrated form"—that, for example, the North Western Railway does the work of no less than thirteen of the old mail coaches: *i. e.*, the mails to Edinburgh, Leeds, Halifax, Holyhead, Liverpool, Manchester, Glasgow, Carlisle, Derby, Birmingham, Hull, Worcester, and Dublin. The cost per mile, therefore, must be multiplied by thirteen, on the North Western line alone, in order to represent the actual payments the Post Office would have had to make to the old mail coaches, as contrasted with the payment they are now making to the railway. And so as to the other railways, in proportionate degree.

It is to be borne in mind, also, that the Post Office authorities obtain facilities and advantages from the railways which they could not exact from the mail coach proprietors; and for which they pay nothing. Not only have they the power, under Act of Parliament, of ordering the trains at any time, at any speed, and to stop at any place, but they have, also, the power to direct the railway Companies to provide all the carriages they require; and the railways actually find carriages for the Post Office, which cost, not the £120 which the old mail coaches cost, but no less than £500 each. In many cases the mail trains are run, under Post Office direction, at such inconvenient hours, that only three, or four ordinary passengers ever travel by them, for any part of their journey; so that the only remuneration received by the railway is the payment made for carrying the mails. It happens, also, on some railways,—such, for example, as the line from Shrewsbury to Stafford—that the mail train is the only train run in the night. The consequence is, that clerks, porters, sidemen, gate-keepers, telegraph clerks, and nearly all the staff of the railway must be kept at night-work solely for Post Office purposes, for which the railway company has to pay.

"No doubt," says the Report (p. 15), "this result (*i. e.* high rate of charge on railways) is attributable partly to the necessity for running certain mail trains at hours unsuitable for passenger traffic; but even when the Post Office uses the ordinary trains established by the companies for their own purposes, the rate of charge, especially considering the regularity and extent of custom, is almost always higher, than that made to the public for like services."

What are the "like services" rendered to the public? The public are conveyed as the mails are conveyed; but do the public take the control of the trains into their own hands, choosing where they will stop, and when they will go on, and preventing alteration of times? The public accommodate themselves to the regulation of the railways; but the Post Office takes its own time, and interferes in any way it pleases with the conveyance of the public and their goods. What are the charges made for conveying mails by "the ordinary trains established by the companies for their own purposes?" The Post Office has not furnished a list of these charges; but it appears from the table, which I have before quoted, that there are trains which carry mails in England at as low a rate as one farthing per mile! These are, no doubt, "ordinary trains established by the companies for their own purposes," and if that charge is "almost always higher than the charge made to the public for the like service," all I can say is, that I can hardly conceive how a smaller coin could be substituted for such a service.

"It fortunately happens," says the Report, "that Mr. Stephenson furnishes, in his address, the data for checking his own accuracy on this particular point. He says, that the locomotive expenses on railways do not, on an average, exceed $9\frac{1}{2}d.$ per mile, and that the cost of running a train may be assumed, in most cases, to be about $15d.$ per mile. Compare this with some of the rates actually paid by the Post Office to different Companies at various periods within the last few years, amounting, in one instance, to the enormous price of $4s. 6d.$ per single mile." (p. 50.)

This is not a correct deduction from my observation. Although locomotive expenses do not, on an average, exceed $9\frac{1}{2}d.$ per mile; and although the current expenses of running a train may be assumed, in most cases, to be about $15d.$ per mile, you are all aware that "locomotive expenses" and "the cost of running a train" are not to be taken as representing the cost of supplying the service required by the Post Office. These charges were estimated for different purposes. They are the bare cost of power, &c. They do not include any calculation for establishment charges, wear and tear of road, interest on capital, or payment of expenses of station officers and porters. Of course the estimate does not include any compensation for extra services, such as are required by the Post Office, nor any allowance of any sort for profit.

A somewhat unfair use has been made, by the Post Office, of my statement with regard "to the cost of running a train." That

statement was made, as you will see by reference to p. 11 of my Address, for the purpose of enabling you to consider the broad principles which ought to govern railway companies in respect of passenger traffic. It is palpable that I never contemplated, in that estimate, what would be the cost of running a train, put on without reference to the convenience of the public, or, to the advantage of the railway company, and yet entailing all the charges of a special engine and night-service. The Post Office has, however, quoted and made use of this expression, as if it was applicable to all cases.

The Report gives a list of railways and branches, twenty-five in number, to which Post Office rates of from 2s. to 4s. 6d. a-mile are paid. The list commences with the line from Chester to Birkenhead, and concludes with that of the Limerick Junction to Limerick. Only two of the lines in this list are railways running out of London, and the payments to those lines are made under very special circumstances, one of them being for the Foreign Mail. The rest are all small cross lines, such as the Leeds and Selby, Perth and Dundee, Peterborough and Grimsby, and Dundalk and Castle Blayney, upon many of which, the mail train is a special train, put on in the middle of the night, exclusively for the purpose of carrying a small quantity of letters. Wherever there is the least service performed, it is obvious that the proportionate rate of charge must be the highest; and in each of these petty cases, the Arbitrators, no doubt, found some good reason why rates above the average should be paid. Upon cross roads, wherever a mail cart had formerly to be used, the Post Office was obliged to pay its whole expenses. And upon cross lines of railway, in the same manner, it is to be expected that the whole expenses of a special train will have to be borne by those who use it.

"The Post Office department," says the Report, "would be well satisfied, if the mails, the hours of which are absolutely fixed by notice, were conveyed at rates based on Mr. Stephenson's estimate of the actual running cost, making some allowance, on the one hand, for the benefit derived by the company, from the train, and adding, on the other hand, compensation for any special extra expenses to which the company may be subjected, by the requirements of the Post Office, together with a full allowance for profit." (p. 51.)

If by the "benefits derived by the company from a train," the Report means the amount received for passengers and parcels by a mail train, I agree with those that think that the conveyance of passengers and parcels, by such a train, may

be of no benefit to a company. If those passengers and parcels did not go by the mail train, they would go by some other train, probably at a more convenient time to the Company, and nothing is gained by sending them by the mail. But, apart from this, I should imagine, that the railway companies will, one and all, willingly accept any proposal from the Post Office to convey the mails, based on my "estimate of the actual running cost, with the addition of compensation for any special extra expenses to which the company may be subjected by Post Office requirements, together with a full allowance for profit."

I am informed, that the claims of the Post Office upon the railway companies are continually increasing. The old mail coach carried only one Post Office officer, the guard, who also assisted in the performance of the duties of the coach. But the Post Office claims of the railway companies, under penalty, to carry, free of charge, all guards, clerks, and officers of the Post Office, "when employed in fetching the bags, or in returning back from carrying the same, and the inspectors of mails and such other officers and servants of the Post Office as the Postmaster-General shall from time to time require." Thus an unlimited number of free passengers may be conveyed at the Postmaster-General's discretion, and however unreasonable the number may be, the company have no redress. It is to be observed also, that instead of assisting the train, these passengers require assistance from the officers of the company. The Post Office insists that the porters of a railway are bound to place their bags in their vans and remove them from their stations.

The nonpayment of fares for these officials is not the only objection to their conveyance. Although deriving no profit from their carriage, the companies, under a recent decision, are declared to be liable to make them compensation for any accident, or injury they may sustain whilst travelling; and recently, on the North Western line, a sum of £1,200 had to be paid to an officer of the Post Office who was accidentally hurt. Was this the case with the old mail coaches?

"It constantly happens," says the Report (p. 52), "that the department is prevented from increasing postal facilities by the refusal of companies to accept rates equal to, and often exceeding, the charges made to the public for the transmission of a corresponding weight of such ordinary light goods as are frequently sent by passenger trains."

The Report cites no one instance in support of the case

which, it is said, so "constantly happens." In the absence of such evidence I may be permitted to doubt whether the Post Office has been well informed. If such cases have occurred, it must be under extraordinary circumstances, for the Post Office itself has power to prevent such occurrences. There is nothing to prevent their sending their mail bags, as a parcel, by any train they like. They may have them carried, if they please, by a goods train, at 6*d.* per ton per mile; and that goods train will travel at least as fast as the old mail coach. A mail guard, with his bag of letters, may take his second-class ticket and walk into the railway carriage, with his bag, like any other passenger. On most of the lines on which it is complained that the railway rates are so heavy, the correspondence must be comparatively trifling. For instance, between Dundalk and Castle Blayney, the distance is 18½ miles. The Post Office rate paid, according to the Report, is 3*s.* 2*d.* a mile, or £2 18*s.* 7*d.* for the whole distance; but the railway fare is only 2*s.* 7*d.* for the distance. If the Post Office insist on a special train and travelling mail to carry a few letters, it is clear that they must pay in proportion, however minute may be the service rendered.

The Report complains, (p. 52) that whilst the gross weight of passengers conveyed by railway, during a year, is 8 millions of tons, the gross weight of mails (including guards, clerks, &c.), is under 20,000 tons, so that "the Post Office contributes less than $\frac{1}{160}$ part to the total weight, whilst it contributes $\frac{1}{3}$ part to the total earnings of the railways." But this is a fallacy. The mails are not to be estimated by their weight. The tables in the Report shew, that the very cases, in which the Post Office carries the smallest weight, are those in which they are obliged to make the largest mileage payments.

The Report states, at page 15 :

"The total payments to the companies for the year 1854, were £392,600, which, it may be observed, exceeds by £83,000 the 5 per cent. passenger-tax for the same period."

It would therefore appear, that what the Government really pays for all the postal service of the kingdom, even on this shewing of the Postmaster-General, is £83,000 a year! For this they carried Four Hundred and Fifty-six Millions of letters, without reckoning newspapers and parcels.

I now come to the second branch of the subject. I ventured to say, and I do not hesitate to repeat, that "without railway facilities the excellent plans of Mr. Rowland Hill for the reduction of the

rates of postage could not have been carried out to their full extent." (Address, p. 13). But it is contended, that "not only would the penny postage without railways have been both practical and remunerative, but that it would have been even more profitable than it now is." Upon that I join issue. Would it have been practical,—would it have been more profitable than it now is?

1st.—As to practicability. I argued that question, solely and exclusively, and, I will add, fairly and properly, upon the question of bulk. "The old mail coaches," I said, "were never planned for bulk. Bulk indeed, would, have been fatal to that regularity and speed, upon which the Post Office could alone rely, as the means of securing the monopoly of the letter carriage of the nation." How is this reasoning met in the Post Office Report? The Report argues the question as a question of weight. "The increase," it is said, "which has taken place in the weight of the mails as presented no difficulty to their conveyance by mail coaches." Seventeen times in one page the word weight is reiterated, whilst the word bulk is carefully avoided. The reply to my argument that the bulk would have been fatal is that the weight would have presented no difficulty. Until my argument is met on the question of bulk, I must maintain that my argument is untouched. We all know that letters weigh very little. But unpressed, sent in bags, as they are, by the Post Office, what is the bulk of the Mails? I told you in my address, that "On a Friday night, when so many thousands of weekly papers are sent into the country, the Post Office requires, on the London and North Western Railway, not only the use of the travelling post office, which is provided for its convenience, but of six, or eight additional vans." This is not denied in the Report. But it is argued, nevertheless, as if all these letters could have been packed into the old mail coaches. What are the facts? On Saturday week the 1 30 p.m. Dover train carried down the Indian mail. That mail consisted of no less than 170 boxes, each about 1 foot 9 inches long by 1 foot broad and 1 foot deep. How could these have been carried by a mail coach? I have caused an old Dover mail to be measured, for the purpose of ascertaining the space allotted to bags. The box under the guard's feet was 2 feet 10 inches long by 2 feet 1 inch deep, and 3 feet 5 inches broad; the boot (usually assigned to passengers' carpet-bags and private parcels) was 2 feet 11 inches wide, 2 feet 6 inches deep, and 2 feet 7 inches long. The space on the roof, including the roof seat, was 5 feet long by 4 feet

broad. Giving all this space to the Post Office, without reservation, had that mail coach carried last Saturday's mail from London, it would have carried on its top a pyramid of mail boxes 12 feet high from the roof of the mail, or 20 feet from the ground! Yet the Report tells you, that there would have been no difficulty in providing for the conveyance of the present mails by the old mail coaches.

On Friday night (May 16), the mail from the Euston Square Station consisted of one Post Office van and six very large tenders, containing large sacks of letters, newspapers, and parcels (many of them as large as sacks of corn). The vans each measured 660 cubic feet; if we say 600, we shall have a total cubic contents of 4,000 feet. This is equal to the displacement of a vessel of more than 100 tons burden. I said, in my Address, that it would take fourteen, or fifteen mail coaches to carry (the Friday night's mail from London to Birmingham: that every coach that ran in 1830 between London and Birmingham would now have been needed for Post Office purposes, if the London and North Western Railway had not been brought into existence. It turns out that I was much under the mark. 4,000 cubic feet, the extent of accommodation required to be provided by the railway company, could not have been afforded by less than fifty of the old mails, even allowing that the two passenger-seats on the roof were devoted to the Post Office service, and the bags were packed to the height of 3 feet above the roof. And yet the Report tells us, that this extent of accommodation could have been afforded by the mail coaches that formerly ran on the North road; thus assuming for each old mail the same capacity as half an ordinary fly canal boat, or as two of our largest London omnibuses.

2nd. I proceed to the next question—the question of Expenditure. The Report states, that Mr. Hill's plan would have been even more profitable under the old coach system than it is now.

“Supposing,” says the Report, “that the number of mail coaches, all over the kingdom, had been doubled, the expenditure of the department for mail coach service would, in that case, have been advanced from £155,000 to only £310,000 per annum, whilst the present expenditure for the railway and mail coach service of the department is £443,000, of which sum £400,000 is paid to railway companies alone.” (p. 48.)

Now, I beg you to mark these figures. £150,000, says the Report, was the sum paid for the entire old mail coach service, whilst

£443,000 is the sum now paid for railway and mail coach service, of which £400,000 is paid to railways alone, leaving £43,000 as the charge incurred by the side mails. Now, at page 14 of the Report, you will find it stated, that the branch mail coaches at the present time convey the mails over 31,667 miles per day at an average charge of $2\frac{1}{4}d.$ per mile. 31,667 miles at $2\frac{1}{4}d.$ per mile gives a total of £108,000 a-year. Here is a total then of £108,000 a-year paid at the present time merely for the conveyance of the side mails by coaches, in place of £43,000 as the Report leaves us to infer. Now, if £108,000 a-year is paid, at the present time, only for the conveyance, by two-horse coaches and mail carts, of the side mails where railways do not run, how is it possible, that the total cost of all the mail coach transit of England could have been only £155,000 a-year?

It is clear there must be some serious error in the Post Office figures, and that error is of such a character as really to invalidate all the calculations of the report. Either £155,000 could not have represented the cost of carrying the mails formerly, or £108,000 a-year, instead of £43,000 a-year, must be deducted, for the side mails, from the total sum of £443,000, assumed to be the cost of postal conveyance at the present time.

But, it is also to be remarked, that the payments to mail coach proprietors for working, did not represent anything like the amount borne by the public for the mails. The Post Office treats this question as if the working for $2\frac{1}{4}d.$ a mile is all the expense the public have to bear. They forget the tolls. They forget that a mail coach could not pass over a road without wear and tear, and that the Post Office paid nothing for that wear and tear. The public in another shape bore that expenditure. Under the old system, indeed, as the Postmaster-General's table shows, many of the old coaches were only too glad to "carry a bag" (as it was termed), merely for the sake of obtaining exemption from toll, which cost on the average $5d.$ per mile to the coach proprietor. You must remember that this toll was levied on the public using the turnpike road, for those purposes of repair, which are now defrayed by railway companies, in the shape of reparation of permanent way. The wear and tear of a railway line is solely paid for by the railway company, —who can receive nothing, in the shape of an equivalent for remission of tolls, except by direct payment.

The Post Office forgets, again, that under the old system, the roads, to some extent, were made at the cost of the public. Nearly

a million of money was expended by Government in making and improving the old Holyhead line of road. Why was this expenditure incurred? It was incurred to save six hours in the delivery of the mails between Dublin and London. This, be it recollected, was the measure of the value of time by the State. They spent a million of treasure to save six hours of time. Contrast the time occupied in the transmission of mails now and in the year after that expenditure was incurred. The Holyhead mail, after a million of public money had been spent in expediting it, still took 26 hours on the road. The same mail by railway only occupies $8\frac{1}{2}$ hours on its whole journey. Nearly 18 hours have been thus saved on this one line of road; and yet, though the Government could spend a million to save six hours, they complain of paying £30,000 a-year, or only the interest of a million, for a railway service passing over a line of road which they did not expend a farthing to construct, and which is kept in repair by private individuals, who have incurred the enormous expense of spanning the Menai Straits by a railway bridge.

In estimating the comparative cost of conveyance by road and by railway, not only are the Government officers, as I have shewn you, wrong in their figures and calculations, but they suppress the great items which entailed expense on the public under the old mail coach system, and which are now saved to the State. Let me mention another saving. Under the old system, the Post Office packets were a source of well ascertained loss to the state. The old Holyhead mail coach could not bring down a sufficient number of passengers to pay the cost of the passage from Holyhead to Dublin. The packet service with Ireland entailed a loss of more than £100,000 a-year. At the present time, the railway saves the Government nearly all this loss. In consequence of the travelling facilities now afforded by the railway, the boats between Holyhead and Dublin contract to perform the service of the Government for a payment of £25,000 a-year. And yet the department complains that it pays £30,000 a-year, for carrying its mails, to the railway company which has enabled it to effect this enormous annual saving.

This example proves this part of the case. The Report omits to take into account the amount thus saved; or any similar savings, such as £25,000 a-year formerly paid for conveyance of mails by steam packets from London to Rotterdam and Hamburgh, now sent to Dover

by the South Eastern Railway. If I admit that which the Report does not establish, that £400,000 is paid to railway companies for postal service, at any rate I am entitled to have the public savings put against that amount. If I consider the vast total of those savings, I cannot doubt, for a moment, that railways are in reality not getting what they are fairly entitled to, for performing the duties for which the State formerly had to pay so largely. Considering the enormous item of turnpike tolls remitted to the old mail coaches,—the vast saving effected in the maintenance of the roads themselves,—the greatly increased facilities demanded by the new postal system,—the incalculable gain in consequence of the increased speed,—and the diminution of heavy loss upon steam packet and such like traffic, I should really be tempted to say, that if the Government paid to railways double what they paid to the proprietors of old stage coaches, they would still be gainers, by the use of railways for the purposes of the Post Office. But when I consider, that according to the showing of this Report itself, they pay no more, if so much, to railways, as they paid under the old system, whilst they carry five-and-a-half fold more letters, to say nothing of newspapers and parcels (page 56), I am surprised at the assertion that “The penny postage, without railways, would even have been more profitable than it now is.”

I stated in my Address, that not only was the Post Office dealing illiberally with the Railway Companies, but that it was absolutely entering into competition with them, as carriers, by undertaking the conveyance of books and other parcels, at very reduced postal rates. The Post Office authorities open their reply by saying, that they shall not stop to inquire whether railway companies have any legal, or equitable right to the monopoly of parcel traffic (p. 52). I shall not stop to inquire, by what policy a Government department steps in to interfere with the free course of trade. But, argues the Report, the companies sustain no loss, “for the general rates paid by the Post Office to railway companies are largely in excess of those paid by the booksellers for their parcels.” The Post Office has never paid one farthing to the railway companies in respect of these parcels. The Post Office pays the companies so much per mile for the whole service. It carries what it pleases. It chooses to carry books. Those books formerly went by the companies’ luggage vans, and were paid for to the companies by the public. The Post Office undertakes the carriage of these parcels, puts them into its letter bags, and

carries them, under its contract with the railways, without paying the railways a single farthing extra. The railways suffer all the loss: the Post Office obtains all the profit. And then the Report tells you that "the Companies, instead of being injured, are benefitted by the abstraction." (p. 53.)

"By far the larger portion of the book parcels," says the Report, "which the Post Office carries, would not be sent at all, but for the peculiar facilities offered by the extensive organization of the Post Office." But there is one remarkable fact in the Report which is inconsistent with this theory. Since the stamp duty has been removed from newspapers, the Post Office, on their own showing, has lost the annual delivery of nearly 28 millions of newspapers, which formerly passed through the Post; and there is reason to believe, that the number of such transmissions is daily decreasing. Now, if the superior facilities of the Post Office induce the public to get their book parcels by post, how is it that they are gradually relinquishing the use of the post as a means of getting their newspapers? The superior facilities, if there are any, are precisely of the same description both for newspapers and book parcels; yet, nevertheless, the public, who best know how to appreciate superior facilities, are gradually giving up the facilities of the post in respect to newspapers, and employing the facilities afforded by the railway. The superior facilities are, therefore, not estimated by the public as equivalent to 1*d.* per newspaper parcel.

It would appear, therefore, that the question was rather one of "charge" than of superior facilities. The Post Office chooses to undersell the railways, availing itself of the facilities railways afford it for the purpose of so doing. The public always buy in the cheapest market. They send their books by post, because the post takes them cheaper than the railways took them. And I told you, in my Address, why the Post Office is able to do this. The Post Office insists on the right of travelling over the railways at a fixed cost per mile; and, as I have just observed, without paying anything additional whatever for book parcels. The railways have to pay, not only expenses, but interest on capital; and it is to be expected, therefore, that they cannot compete, in respect to this traffic, with a public department which contributes to neither. But how far this use of the railways for the purpose of the Post Office, and to the detriment of the railways, is equitable, or proper, is another question.

The Post Office itself seems to feel that it is not quite equitable, or

proper, for the Postmaster-General, in the body of the Report, treats the question solely on the ground that a "benefit" is conferred on the Railway Companies by this abstraction of their traffic, and that even if that is not the case, the Companies are compensated by the transference to the luggage vans of the newspapers previously carried by the mails, (p. 15.) I think it is in Gil Blas that the gentleman who takes the Canon's purse, is made to prove that the abstraction was a "benefit" to his soul's health, and would keep him free from many of the pomps and vanities of this wicked world. Upon the same principle, I suppose it is intended to be argued, that the abstraction of their traffic is a benefit to the railway companies. But with regard to the second part of the argument, I deny that the railways are "compensated" for their loss by the transference to their vans of the newspapers, which the Post Office used to carry for nothing, and which it is admitted the Officers would be "only too glad to see removed from the Post Office altogether." The stamp duty, you will remember, never was a postal duty under the old system; it went into the accounts of another branch of the revenue. The Post Office, consequently, never benefited; but on the contrary, was only taxed for the performance of its duty as the carrier of newspapers. Latterly, this duty became so onerous, that the Post Office felt itself almost incompetent to its due performance. To save itself the trouble and expense of receiving all the papers at the last moment at the Post Office, it was in the habit of sending its own vans to the offices of the great news publishers, and carrying their papers in bulk to Euston Square, where an office was assigned to the Post Office for newspaper purposes. The change effected by the removal of the stamp, might have been taken advantage of as a great source of revenue to the Post Office, which failed, however, to work out a system that would have been remunerative to itself, and advantageous to the public; and the consequence has been, that the public have resorted to what I may call, in the words of the Report, the "superior facilities" of the railway. But the railway gets for the carriage of these parcels nothing like the amount that the Post Office would get. The Post Office is bound, under Act of Parliament, to charge 1*l.* per paper, but the railways take these papers in bulk, several hundreds in a package, and carry them at the rate of so much per ton. To tell us that an act of their own, by which they threw off an excess of labour which had become not only burdensome, but overpowering to the Post

Office, was done out of consideration for the railways, and as a compensation for the abstraction of the book parcels, is not likely to be entirely acquiesced in.

The number of book parcels that passed through the Post Office last year was a million and a half. Captain Huish, in his evidence before Parliament in 1854, has shown that the loss of revenue to railways, by the abstraction of book parcels, has, in some cases, borne a large proportion to the sum paid to railway companies for the conveyance of the mails. (Evid. p. 264.) A stronger proof than this, of the unfair dealing of the Post Office towards the railway companies could scarcely be afforded. But I own, that I do not look so much to the actual loss as to the bad precedent. It seems to me, that there is no limit to what the Post Office may carry, if this is permitted. There are many lighter articles than books, forming the substance of railway packages. Is the Post Office to undertake all the light carrier trade of the kingdom, without extra payment to the railways for the use of the roads?

The Report says, (p. 49,) "Mr. Stephenson is unfortunate in putting forward, as an illustration, the cheap transmission of printed proceedings of Parliament. Under the old postal system, and during the existence of mail coaches, Parliamentary reports and proceedings were conveyed by post free of all charges. On the introduction of a penny postage, a postal charge for their conveyance was imposed, which continues up to the present day."

If I am unfortunate in referring to this charge, the Report, I must say, is doubly so. For if all Parliamentary papers have been subjected to a penny postage, who receives the money? The railways ought to have a share of it; but they get nothing. The public ought to have a share of it; but on the contrary, the Post Office, which has greater facilities for carrying public papers, makes the public pay more for their transmission instead of carrying them for less. Who, then, does get the penny? The only answer is, that it goes to the credit of the Post Office account in reduction of the expenses incurred in carrying out the penny-postage system.

I believe I have now replied to all those portions of the Report, which directly affect the observations contained in my Address. But before I conclude, there are certain points which naturally arise out of this subject, to which I cannot but take the present opportunity of referring. First of all, I wish to direct your

attention to the question of Regularity. A short time back, great complaints were made by the public as to the irregularity of the post, and the very late hour at which the mails were delivered. In order to obviate the latter complaint, an important acceleration of the trains was effected between London and the North of England, Ireland, and Scotland. Still, however, the irregularities continue. The Post Office tries to throw all the blame of these irregularities on the railways; the railways, on the other hand, declare that the greater part of it rests with the Post Office. Viewing the question impartially, it appears probable that there are occasional causes of inevitable irregularity on both sides. Accidents will happen, and no doubt accidents have happened, both to railways and to the Post Office, which have caused delays in the arrival of the mails. Of the two, no one can doubt that the railways are more exposed to inevitable accidents than the Post Office. A railway train in transit is exposed to all the accidents of nature. It will be interrupted by fogs, by frost, by storms, by floods, by all those accidents and changes which our variable climate produces, and which it is extraordinary railway trains surmount as they do. But apart from unavoidable accidents on railways, there are causes of delay which do not arise from railway detentions, but rather from mismanagement, from a complicated system, and an excess of work to be performed. As this subject was under the consideration of a Select Committee of the House of Commons in 1854, I cannot do better than quote some passages from the Report of that Committee—the “Committee on the Conveyance of Mails by Railway.”

“On the North Western line,” says the Committee (p. viii.) “the irregularity appears to be attributable to various causes.

“Captain Huish, the general manager of the London and North Western Company, attributes it in some degree to the delay of the arrival of the Post Office bags at Euston Square, and still more to the detention at Crewe, caused by the necessity of distributing the bags amongst three lines, which branch off to Ireland, to Scotland, and to Manchester, from that place.

He states that it sometimes occurs that nine omnibus loads, weighing 11 tons, have to be provided for at the Euston Station in the short time allowed for this purpose, and that in consequence the mails frequently do not start from the Euston Station till ten minutes, or a quarter of an hour, and on foreign mail nights not perhaps for half an hour, after their proper time.

"He thus describes the detention at Crewe, as given to him by one of the servants of the company. 'By the up-night mail, and from the Crewe Post Office there are 76 bags, which are sorted, and will load two large platform trucks; these are ready for the down mail. There are 142 bags delivered on the platform from the mail, on its arrival, to resort and reload for each division, which, with the 76, make 218 bags altogether.'

"These bags have to be received, checked, and reloaded into their respective vehicles, 'and if a bag should be missing, or a key lost, the delay becomes excessive, and throws out the train all the way to Aberdeen on the one side, and to Dublin on the other.' He makes the following remark, which is generally applicable: 'If mail trains, for which specified times are provided, are kept over, they become very irregular. They get out of their turn, and get mixed in some parts of the large ramified system, throughout the kingdom, with other trains that ought to have been clear of them, and the confusion very soon becomes worse confounded.' He adds, 'Where we have 705 trains running in a day over the line, in all its branches, any irregularity must very seriously inconvenience us.'

"As regards both the day and the night mails upwards, he complains greatly of the extreme irregularity of the reception of the mails from the West Coast, and from Ireland, for which the up-train from the north has to wait at Crewe; and he recommends the entire separation of the Scotch and Irish mail trains, as the best means of avoiding the delay.

"Your Committee are of opinion that under different arrangements as to the size and nature of mail trains, greater regularity could be maintained: the evidence of Captain Huish, on the subject of a proposal on the part of the Post Office for greater acceleration, leads them to believe that this cannot in some instances be effected by trains of such magnitude as those which now convey the mails."

¹ The opinion thus expressed by the Select Committee is very just, and I fully concur in it. Let me give you in Captain Huish's own words the evidence from which the Committee quote as to the detention at Crewe:

"In order to examine for myself," said Captain Huish, "I went purposely down by the night mail and stopped at Crewe. The Committee will scarcely conceive the work that has to be done there—say at one o'clock in the morning—perhaps a cold, drizzly morning. There are 142 bags piled on the platform, a perfect mountain of bags, all of which have to be sorted, checked, ticked, and reloaded into their respective vehicles. The process is this. The mail guard sits with a little lantern by his side, and his check-book, and he calls out for some bag for some unpronounceable place in Wales. Then this mountain of bags has

You will see from this, that the Report of the Post Office is very disingenuous, when it throws upon the railway companies the whole blame of postal delays. What would the Post Office say to a railway company that stopped its mail train, whilst it sorted all the passengers' baggage, parcel by parcel, on a dark, drizzling night? The railways obviate the necessity of this proceeding by arrangements which a department uninfluenced by official routine might adopt with advantage.

The Parliamentary Committee observed, with much propriety, that regularity could not be secured, whilst the trains were of such magnitude as those which now convey the mails. Is there any reason why the trains should be of such magnitude? The uncertainty, irregularity, and delay which arise in the delivery of mails is obviously attributable mainly to the excessive bulk of the mails. Were the Post Office disposed to treat the railways with equity, and to obtain their cordial co-operation, what would be so easy as to make arrangements whereby greatly increased postal facilities might be afforded, and the vexations of the existing system be prevented?

In consequence of the want of more frequent postal intercourse, between the great towns of England, the telegraphs are obtaining no inconsiderable share of the Post-Office business; and are likely to get more of it as their rates are subject to reduction. Since 1848 the Post-Office business has increased 40 per cent.: but the Telegraph, a newer invention, has in the same time increased no less than 50 fold or 5000 per cent. This is a result which shows the necessity of the Post Office adopting a more liberal system in dealing with the railways.

The defect, indeed, of the Post Office is that illiberality of system which prevents it from fully availing itself of the facilities and opportunities which are open to it. Every department connected with it is nipped. I remember my Father once refusing to accept from the Government what they thought a piece of valuable patronage; and it was

to be turned over, and the man dives to the bottom, and in five minutes, perhaps calls out, 'Here it is.' Then that is ticked off, and the same process has to be gone through with the other bags. The result of all this is, that it is very creditable, I think, to the Post-Office servants, that they are able to get away the mails as rapidly as they do. If a bag is missing, or if the key of a bag is lost, or if there has been any irregularity, of course the delay becomes very excessive, and that throws out the train all the way to Aberdeen on one side, and to Dublin on the other." (Evidence, p. 254.)

almost—if not absolutely—the only piece of patronage they ever offered him. It was the appointment of a walking Postman between Chesterfield and Chatsworth, who was to walk 8 miles there and 8 miles back every day, with the letter bags, and who was to receive the immense stipend of 12s. a week. I thought this was unequalled, until I came upon the evidence in the Report of the Select Committee on the Conveyance of Mails. The facts there stated respecting what is called “the conveyance of mails,” really quite throws into the shade the anecdote my Father used to mention. It appears from the evidence, that “there is no absolute limit imposed to the length of any rural postman’s walk,” though generally, it is “thought objectionable” that he should walk more than about 16 miles a day! A great deal of impartiality appears to be exhibited as to the localities served by these officers. Sir George Grey states, that in the neighbourhood in which he lives, in Northumberland, the foot messenger, who comes to his village from Alnwick, is so fleet that he “nominally travels at the rate of 3 miles an hour, but hardly goes half so fast” (p. 239). This fast post, it seems, does not always come the direct route. The messenger who carries despatches of State to Sir George Grey, usually stops to deliver letters at two or three intermediate places a mile or two out of the road. The consequence of this is, that Sir George Grey, whose letters arrive at Alnwick at 7.35 in the morning, cannot get them until 1 or 2 in the afternoon, and as the “post” again departs with the return letters at half-past 4, he has only two and a half hours instead of eight or ten hours, to answer his despatches. These “walking posts” are among “the facilities” afforded by the Post-Office.

In distant parts of the country the way in which the Post-Office regulates the postal service appears to be indeed peculiar. Mr. Henry Herbert, the Member for Kerry, asked Mr. Hill before the Committee if he had ever heard of an instance in which a special mail car, which went at a much slower rate, had been substituted for a coach which went faster, and which had previously conveyed the mails on the same road? As Mr. Hill was unable to give a direct answer to the question, Mr. Herbert strove to bring the facts to his recollection, by reminding him that on one occasion the local Inspector of Post-Offices in Kerry travelled, or attempted to travel, on the mail car, which broke down under his weight, so that during future journeys through his district he was obliged to travel

by the coach from which the mail contract had been taken! "It is very possible," replied Mr. Hill, "I see nothing in that." (1913.)

These are English and Irish examples of Post Office facilities; but the way in which the Post Office manages its concerns in Scotland seems to be equally peculiar. There is a railway from Edinburgh to Hawick, 53 miles, upon which there are six trains a day, to and fro, doing the journey in two hours; but in consequence of a difference between the Post Office and the Railway Company, the Postmaster-General for nearly three years carried the mail to Hawick by a mail cart over a hilly road, occupying the entire day in the transit to and fro! (Evidence, p. 186.) The Aberdeen Railway Company, it appears, was on one occasion absolutely obliged to refuse to carry the mails at all. The mail from Forfar was so invariably irregular, being sometimes two, three, and even four hours behind time, that at length the Aberdeen Company declared they would remain twenty minutes behind their regular time for the mails, and if they did not then arrive they would start without them. (Evid. p. 203.) The Perth and Dundee, and other companies, have even held the Post Office responsible for the loss which has occurred by reason of their inability to forward their trains at the agreed time, and cases have been referred to the umpires for decision, as to whether some sum ought not to be awarded to the companies. (p. 204.)

This brings me to the question of Fines. We are told in the Post Office Report (p. 54), that "the Post Office has long since urged upon the principal Railway Companies, the adoption of a plan by which they and the Post Office shall be mutually bound to pay certain penalties for delay from whatever cause; the Post Office further offering to pay, in addition, a premium to the companies, in every instance in which the prescribed time is not exceeded. This proposal was, however, rejected at the time by every company to which it was submitted." The Post Office Report does not mention what this proposal was, but I think when you hear the particulars of it you will not be surprised that "it was rejected by every company to which it was submitted." The Post Office proposed to pay the railways a sum of £3. on each occasion when the mail arrived punctually to its time, provided the railways would consent to pay 10s. for every minute that the mail, from whatsoever cause, might be behind its time, up to a sum of £20. Now, you must bear

in mind that there was no limitation as to the causes of delay. It was not considered, by the Post Office, that the railway system of the United Kingdom is a complex system. The act of God, or the Queen's enemies, the force of wind and tide, and unavoidable accidents to machinery, are in no way allowed for. The Post Office estimates the profit arising from passengers in deduction of the charge which ought to be made for the train ; yet it does not allow for detentions arising from any accidental accession to the number of these passengers. Besides, the complexity of the railway system of the United Kingdom is not in any way considered. Between London and Dublin there are no less than four Companies concerned in carrying the mails. The penalty paid to the Post Office, by the Holyhead boats, for being a few minutes too late, in consequence of the state of the elements, would defray the penalty to be paid by the Post Office to the Chester and Holyhead Railway, for detaining the train beyond the proper minute of departure. But what compensation would the London and North-Western receive, for the inconvenience occasioned by a delay, which threw out and interfered with all the trains of a whole system so complicated and extensive ?

Many delays, as we have seen, arise also from causes for which the Post Office itself is responsible. If the delivery of the mail is behind time at Euston Square, the Post Office did indeed propose to pay ten shillings a minute to the railways ; but from St. Martin's-le-Grand to Euston Square is two miles in distance, subject to no interference from the elements, whilst from Euston Square to Dublin is 330 miles by land and by sea ; and yet if the railways and steam-packets are one minute behind their time in accomplishing that distance, they are to be subject to the same penalty as if the Post Office is behind its time in accomplishing two miles.

If the Post Office authorities want the highest rates of speed, with perfect observance of time, they have an easy mode of securing it. Let them contract with the Railway Company for special trains, exclusively for the purposes of the mails. The companies will be only too glad to provide those trains, at the same, or even a less rate, than that at which they provide special trains for the public. They will, no doubt, enter into any arrangement for the arrival of such trains at their respective destinations, at the hour agreed upon. On the side of the Post Office, all that is requisite to secure this, is an equitable payment for the service, which considering the great im-

portance of the subject, ought not to be grudged to secure a rapid and punctual delivery of letters.

We are told, indeed, in the Post Office Report, that the railways have no right to be treated on such principles. On the contrary, they are threatened. "The law officers of the Crown," says that document, "have given an opinion that Government can claim exemption from toll on railways." (p. 51.) Happily, it is one thing for "the law officers of the Crown to give an opinion," and another for a Government department to succeed in enforcing it.

But who are these, asks the Report, who complain of "illiberal treatment?" The old mail coaches, it says, represented free trade and competition, but these railways are "large monopolies in the hands of a few private companies." (p. 49.) A few private companies! What is meant by a "private company?" The Railway Share and Debenture Holders of England number more than a quarter of a million. Do these capitalists represent a "private company?" An old mail coach carrying four insides and three out, and horsed by Mr. Fagg, at $2\frac{1}{2}d.$ a mile, is called in this Report a public conveyance, "by which the Post Office was protected from undue demands in the transmission of its mails along the public highways of the United Kingdom," whilst a railway like the London and North-Western, with nearly eighteen thousand shareholders, and a capital exceeding thirty millions, is called "a monopoly in the hands of a private company." A monopoly! Allow me to ask again, of what has any railway got a monopoly? The old "public highways," as the Report calls them, are still open to everybody. The Post Office authorities may put upon them once more, if they think fit, their favourite public conveyances. Except the bulk of their bags, there is nothing to prevent them from loading them once more in the court-yard of St. Martin's-le-Grand, and starting them off for Holyhead or Aberdeen, with the old guard on his seat behind, and the old driver flourishing his whip.

The railways have no monopoly: Parliament has never allowed them a monopoly. In France, and elsewhere, the Legislative bodies have given Railway Companies a monopoly for a certain number of years, but with us the practice of Parliament has been precisely the reverse. So far from exercising any monopoly, the railways here are subjected, even among themselves, to a fierce competition. Parliament has sanctioned a second railway to Dover; there are already two lines to Hastings; two are completed to Portsmouth, and a third is making; the Government has insisted upon

the South Western, making a second line to Exeter; there are already three lines to Birmingham; there are three lines to Derby, three to Peterborough, three to York, two to Cambridge, two to Oxford, two to Norwich, two to Lincoln, two to Liverpool; I know not how many to Shrewsbury; and many routes to Scotland both by the West Coast and the East. Monopoly! Why Parliament on the whole circuit of the country has established, not only the principle, but the practice of free competition, and we have absolutely as much competition amongst railways now as ever existed in the old days of, what the Post-Office Report calls, the public highways.

The only monopoly ever accorded, by Parliament, to the railway companies, has been the right of taking land; but that right has been encumbered, both legally and by the opportunity afforded for making claims for exorbitant compensations. Parliament has subjected railway companies to frightful expenses, and to most uncertain and unfair tribunals in its own Committees. It has never assisted any work in progress, however useful even for purposes of State. It has given no concession to any Company; it has undertaken no share of the work, as has been done by the Governments of other States; it has granted no crown lands for any line; it has not assisted to make a line; it has guaranteed no interest upon outlay; it has not even lent money, as it did year after year to the Holyhead Road Commissioners.¹ What, then, is the Government entitled to from the railway companies? No doubt it is entitled to have public services properly performed, at a moderate cost. And all public services are performed by the railways for the government at a moderate cost. But it is not entitled—it can establish no claim—to use the property of railway proprietors, without toll, or to have its work done, without paying a fair rate of profit to those who perform it. When the Post-Office Report tells you that railways are monopolies which have destroyed competition, I ask you to consider, on the other hand, whether railways are not, in fact, too much subject, at the present time, to Government control. This very mail service is performed by the railways under compulsion. Did the Government compel any one to perform the duty of carrying the mails in the days of the old mail coaches? If in those days they had advertised for tenders from stage coach proprietors for the performance of a duty such as

¹ With the exception of about two millions lent to some of the Irish railways.

they now exact from railway companies, subject to arbitration as to the sum that should be paid for its performance, how many tenders is it likely they would have obtained ?

On the other hand, I ask you to look at the treatment the railways are receiving from the Government. I will take the case of their own selection—the case of the Chester and Holyhead Railway—in which they make a merit of paying at least double what would have been awarded by arbitrators (p. 16.) Look at the route to Ireland before the Holyhead Railway was constructed. No less than thirty-six hours were occupied in getting from London to Dublin. But this was regarded as great expedition, and it was most munificently paid for by the Government. They spent, as I have told you, nearly a million of money in making the road. They lost on the Irish steamers more than £100,000 a-year, to say nothing of their contract for the coach, and upwards of £3,000 a-year remitted on the tolls. This was the state of things before railways were established. The work is now done, not in thirty-six, but in fifteen hours. The whole mail service now, with this increased expedition, costs the Government no more than £65,000 a-year. Thus the Government save upon this route alone twenty-one hours in every journey, and nearly £40,000 a-year in expenditure.

But in the face of this, what has been the conduct of the Government to the Chester and Holyhead Railway Company ? In the first place, it imposed conditions which greatly enhanced the cost of the Britannia Bridge. Then observe how it treated that line with reference to other matters. The Holyhead road runs for about half-a-mile near Conway upon an embankment constructed on the sea-shore. The Holyhead company proposed to form its railway outside that embankment, thereby, in fact, widening the embankment and affording it protection from the sea. The same state of things occurred in the Isle of Anglesea, at an inlet known as the Stanley Sands. In both cases the railway rested on the slope of the Government embankment, and for this “privilege,” as it is called, the Government to this day charges the railway an annual rental ! I need scarcely remind you, in addition, of the treatment the railway received from the Government respecting the steam boats. The railway company, when their line was constructed, put on first-class boats from Holyhead to Kingstown. The Government refused to give them a contract to carry the mails by those boats, which they were willing

to do at moderate rates. New boats must needs be put on, to compete with those of the Company ; and as the Company not only had the best boats, but the best means of bringing down passengers for them, by express trains, the Government incurred so heavy a loss, that Parliament felt compelled to interpose.

Such is one illustration (among many) of the treatment of the Railway Companies by the Government departments. They have aggravated the expenses and difficulties of a line which has helped to save them, as I said before, twenty-one hours in every journey between London and Dublin, and no less than £40,000 a-year in money outlay. At the present time, the Post Office Report tells us, that the department is paying double what it ought, for conveying the mails over this railway, and that "the law officers of the Crown have given an opinion," that Government can claim the right to pass over it, in common with all others, without paying any toll at all!

In conclusion, I ask, how can the Post Office authorities justify their tone respecting the railways? They admit great advantages from railways, but they say that against those advantages there is an important set-off in increased expense. Is there any foundation for this charge? Let us look at the figures. The mails are now conveyed daily by rail and coach over, in round figures, 60,000 miles. The total cost of this conveyance is stated at £443,000. Upwards of £100,000 is saved upon the sea service with Ireland and the Continent alone. Now, suppose the mail service of the country was still performed under the old mail coach system, what would it have cost? The net payments to mails, upon their own shewing, would have amounted to £310,000 ; the tolls and coaches, at 5*d.* per mile, would have been £456,000. Add to this the steam boat saving, and we should have a total cost exceeding £800,000 per annum. But as the present cost is only £443,000, there is a difference in favour of the railway system exceeding £400,000 a-year, without taking credit for the increased rapidity of transmission.

If I turn to the Post Office accounts, at p. 57 of the Report, I find that the additional work, to the extent of five and a half times, has been performed at an increased cost of only two and a half times. By their own shewing, then, the cost of conveyance has not "increased in a far greater degree," but in a far less degree, in proportion to the work performed. I find, also, that the cost of conveying the mails has only increased, in a corresponding ratio,

with the increase in the expenses of all the other branches of Post Office expenditure, since 1838. I find still further, that the whole cost of conveyance amounts to little more than one-fourth of the whole cost of management, for whilst the whole cost of management, in 1855 was £1,651,000, the entire payment for cost of conveyance was only £443,000. I ask, then, with what justice, with what show of propriety, can the Postmaster-General, or his officials, complain of the payments to railways for the postal communication of the nation?

The whole course of this argument has not only confirmed my conviction that "without Railway facilities the excellent plans of Mr. Rowland Hill, for the reduction of the rates of postage, could not have been carried out to their full extent," but it has clearly proved, to my mind, that they could not have been carried into effect at all. Space, we have seen, is absolutely essential to the accommodation of the increased Bulk,—speed is absolutely essential to that multiplication of correspondence which is requisite to sustain the rapidly increasing establishment charges, augmented already from £500,000 to £1,200,000 per annum. If the absence of facilities, both of space and speed, had not proved fatal, by preventing the development of the system, it is clear that the expense would have broken down that system altogether. I am convinced also, that unless more and more advantage be taken of railway facilities, the postage system will not progress, in proportion to the increase of the population and wealth of the kingdom. What is it that multiplies communication? Speed and facility of transmission. In those the Electric Wire is now a competitor with the Post. Suppose we had the Electric Telegraph in operation, without a railway system, and our correspondence consequently dependent on the old mail coach, I ask what would be the effect upon the penny postage system? If the Post Office authorities desire to increase the correspondence of the nation through their machinery, they must make more and more use of railway facilities. It is only by more frequent postal communication and accelerated speed of delivery, that the telegraph can be successfully competed with, as regards the large and increasing portion of the correspondence of the nation, which is flashing unceasingly along its wires. To obtain that increased frequency and accelerated speed, the Post Office authorities must deal equitably with the Railway Companies. It is not only the duty, but it is for the interest, of Government so to do. If the Government and the Railway Companies went hand in hand,

arrangements might be made, by which the whole correspondence of the nation might be carried on, in a much more perfect manner, with advantage to the Companies, and without any direct payment by the Government. When the Post-Office authorities are prepared to deal with this question in an equitable spirit, I shall be prepared to show them how such an arrangement may be effected. Meanwhile I leave them, in the hope that these remarks, offered in all good-will and friendliness of spirit, upon the document they have published, may have some influence in inducing them henceforward to regulate their affairs for their own and the public interests, and to endeavour, in some degree, to keep better pace with the advancing spirit of the time.
