In regard to the competition now carried on between the Taff Vail Railway and the Glamorganshire Canal, both leading from the docks at Cardiff to Merthyr Tydvill, to which your inquiries point, the following are the essential facts.

These works are competitors for the coal and iron trade of South Wales, or at least for a very important portion of it. Both lines are about 25½ miles long. The elevation overcome by the railway is 543 feet, and that is also the lockage of the canal. In one mile there are sixteen locks on the canal. The same fall is accomplished on the railway by an inclined plane.

The following are the rates of toll by canal:

Iron, per ton per mile	¾d.
Coal, stone, slates, ore, &c., per ton per mile	½d.

Under the operation of these rates, the canal has always paid eight per cent. per annum dividends, to which the company are restricted by act of Parliament.

The boating is done by private individuals.

The rates on the rail road, *for use of road*, are:

Iron, per ton per mile	1d.
Coal, per ton per mile	⅝d.

For locomotive power there is an additional charge of ½d. per ton per mile. The freighters of iron and coal find their own wagons, which charge is there estimated at ¼d. per ton per mile.

The stockholders of the railway get no dividend, though the company meet the interest on their loans.

In 1843, the tonnage of the canal was:

Iron	104,138 tons.
Coal	206,359 tons.

The amount carried on the rail road the same year was:

Iron	44,843 tons.
Coal	152,100 tons.

The charges both on the canals and rail roads of England, measured on our scale, are generally high. The works, though extravagantly built, appear to be economically managed; but still they adhere with tenacity to a system of liberal charges. I would say, the average rates for the conveyance of goods on rail roads is about six cents per ton per mile; and the average on canals, including every thing, about three cents. There are, indeed, some few roads, where the trade is great and the competition active, that have attempted a much lower scale; and of these, the Stockton and Darlington is the most conspicuous. But, in comparing this road with those of the United States, we must not overlook some peculiarities which belong to it, which greatly increase its ability to transport freight at minimum charges.

Its grades are exceedingly good, the maximum being 51 feet per mile, and close to the port. The inclinations are all in favor of the heavy trade, the empty cars only having to ascend the slopes. There is no inclined plane on the main line. The construction of the work throughout the line is equal to that of the modern English railways generally. The track is built most substantially,