

the attention of that company for several years and frequent changes were made with a view of ascertaining the rates that would bring the most revenue. In 1838 and 1839, the toll exacted by them on miscellaneous freight of the highest class was ten mills per thousand lbs. per mile, or two cent per ton of 2,000 lbs. per mile. At that time a system of reductions commenced and under a competition with the Reading Rail Road which proved ruinous to both companies was kept up until the year 1847; and at every reduction the revenue was in like manner diminished. In a report of a committee on tolls to whom the subject was referred by the Board of Managers of that company in August 1847, it is stated that "the experience of the last eight years establishes the truth that the tolls during that period (the highest rates on miscellaneous freight other than coal, varying from 16 mills to 8 mills per ton of 2000 lbs. per mile) have always been too low for revenue—since, whenever they were reduced the revenue was reduced; when the tolls remained stationary, the revenue remained stationary; and when the tolls were raised, the revenue was increased. But a singular fact, connected with the history of the company's experience, is, that during the latter part of this time, while the toll was reduced from year to year, the trade was gradually increasing; and yet, notwithstanding the increase of business, the revenue fell off—the *increase of trade being more than neutralized by the reduction of the charges.*" With all due respect to this committee, we can perceive nothing singular in the fact, thus stated, unless it were also shewn that the business was increased, in a greater ratio, than the reduction of the toll. Otherwise, the consequence alledged was inevitable; and it was to avoid a similar consequence in regard to the revenues of this company, that the board refrained from making the reduction suggested. They indulge the hope that the stockholders will approve the course they have adopted in this regard.

The board have also thought it unadvisable to make the temporary reduction of toll on coal "to one mill per ton per mile." The stockholders in making the suggestion, were probably influenced by a desire to attract coal from the rail road to the canal at Dam No. 6, for the purpose of encouraging and of giving direction to trade by the time the work is completed; but such object was considered as scarcely attainable by the adoption of the measure. It will be remembered that an arrangement with that view, on terms that were apparently mutually satisfactory was entered into between the two companies in 1843, and that very soon after the trade had fairly commenced, the arrangement was abandoned by the rail road company, and the charge for the transportation of coal from Cumberland to that point, raised by them to four cents per ton per mile, or \$1.80 cents for the forty-five miles, which amounted to a flat prohibition. Such was the charge, (although as we understand since reduced one half) which was maintained by the rail road company, on that part of their road, when, in September last, the board took action on the subject, whilst, as we are informed, they carry the article in such limited quantities as may