

**CORRESPONDENCE BETWEEN  
THE BOARD OF TRADE AND T.  
GRAHAME, ESQ. ON RAILWAY  
AND CANAL COMBINATION**

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Correspondence between the Board of Trade and T. Grahame, Esq. on railway and canal combination by Various

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**VARIOUS**

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GRAHAME, ESQ. ON RAILWAY  
AND CANAL COMBINATION**



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CORRESPONDENCE

BETWEEN

THE BOARD OF TRADE

AND

T. GRAHAME, Esq.,

LATE CHAIRMAN OF THE GRAND JUNCTION CANAL COMPANY,

ON

**Railway & Canal Combination.**

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These Companies are constituted for the public purposes which are hoped to be effected by their means; and powers are granted wholly on certain conditions,—which enable them to interfere by imperial powers with private property,—for the purpose, as it is supposed, of the public good. . . . All the evil which must arise from the exercise of that despotic power is supposed to be compensated by the public good which is expected to be derived from the works to be accomplished by means of those powers.—*Judgment of the Master of the Rolls in Carlisle v. The South Eastern Railway Company, 6 Railw. & Canal Cases, p. 676.*

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LONDON:

PUBLISHED BY JAMES RIDGWAY, PICCADILLY.

MDCCLII.

*Price One Shilling.*

## PRELIMINARY NOTICE.



LONDON, *June 9th*, 1852.

THE following Correspondence with The Honourable the BOARD OF TRADE, and The Right Honourable the CHAIRMAN of COMMITTEES of the HOUSE of LORDS, is published with the view of calling the general attention to a system of legislation,—equally hostile to the agricultural, manufacturing, and mercantile interests of the country—legalising as it does a *regular system of combination* between Canals and Railways.

By these combinations, formed avowedly for the purpose of raising the charges on all transit throughout the country, the Canal communications of Britain are being gradually closed up to the Public located on these lines of Navigation—whether manufacturers, producers, or consumers,—or private carriers or traders using these formerly open lines of transit for the purposes of traffic—*by the unfair imposition of PROHIBITIVE TOLLS, fixed by or arranged with the combining Railways.*

The wholesome *competition* between Canals and Railways—the great *benefit* of the Railway system—and to obtain which for the Public Railway Companies were incorporated by Parliament, and



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*the London and Birmingham Railway Company and the Proprietors of the Birmingham Canal Navigation, and for granting certain powers to the said respective Companies."* the entire control, indeed, the absolute property of the Birmingham Canal, was transferred to the Directors of the London and North-Western Railway Company. By this Act (obtained at the sole risk and cost of the London and North-Western Railway Company) the power of *fixing the tolls on the Birmingham lines of Canal* was given to the Railway Directors, and all power to lay out monies in the extension or improvement of their navigation was taken from the Canal Directors. In return, the Railway Company undertook to guarantee the dividends of the Canal shareholders\*.

The result has been such as might have been predicted. From a link in the chain of water communication connecting the important district of Birmingham and its vicinity, Staffordshire, Worcestershire, and the North, with London and the South, the Birmingham Canal has been converted into a barrier to that communication. The tolls exacted on that navigation are imposed in the view of extinguishing traffic, not of obtaining revenue. Were the tolls on the other Canals forming the water route from the Birmingham district and beyond to London and the South, the same as on the Birmingham Canal, all transit by the water route must be at an end.

At the period when the Act before referred to was being promoted, the separate Railways, now bearing the title of the London and North-Western Railway Company, had not been amalgamated. The bill authorising this amalgamation passed into a law a few days previous to the Birmingham Canal Act.

\* The transaction is a most gross fraud on the Public, sanctioned by the Board of Trade, and legalised by Parliament under the cover of a *fictitious title*.

By these Acts, the London and North-Western Railway Company obtained not only an undivided and unfettered line of Railway, connecting Liverpool, Manchester, Birmingham, and the North, with London and the South, but the entire control of the Birmingham lines of Canal, the most important link in the chain of the rival water route connecting those localities\*.

The tariff of Railway and Canal tolls and charges, authorised by the two Acts referred to, indicates plainly the objects the Railway Company had in view when they undertook to promote the Canal Act, and to guarantee the dividend to the Canal Proprietors. *The tolls which they thereby obtained power to perpetuate on the lines of the Birmingham Canal, are, in many cases, double and treble the entire freight chargeable on the rival and parallel Railway route.*

While on coal conveyed by Railway to London and the South, the total parliamentary freight (toll, motive power, and wagons) is seven-eighths of a penny per ton per mile; and while the Railway Company are conveying coal to London and the South at a halfpenny per ton per mile for toll and motive power, forty per cent. under the parliamentary charges; and while they acknowledge a great profit on this traffic,—they continue to exact twopence, three-halfpence, and a penny per mile as *toll alone* on coal conveyed along the parallel Birmingham Canal. It is the same with the Railway charges on iron, bricks, and every description of traffic. *The Birmingham Canal tolls are imposed and maintained by the London and North-Western Railway Company with the sole view of swamping the rival Canal route, and establishing a monopoly of transit in favour of their own Railway.*

The arrangement between the London and North-Western Railway and the Shropshire Union Canals being of a character similar to that before described with the Bir-

\* Appendix, Note A.

mingham Canal Company, and applied to the same purposes, I will not trouble you with any details in that matter, but proceed to another example of the great evils and gross injustice produced by the transfer of a link in a Water course to a competing Railway.

The Grand Trunk or Trent and Mersey Canal forms a most important link of sixty-eight miles in length in the chain of water communication, which connects Staffordshire and its Potteries,—Cheshire and its Salt Mines,—Lancashire and its Wigan Coal District,—and Manchester and Liverpool—with London and the South. Under the authority of Parliament, this navigation has been transferred to the North Staffordshire Railway Company. The consequence has been, that every possible impediment, in the shape of prohibitive *tolls* &c, is thrown in the way of the general Canal traffic, where such traffic is in competition with the North Staffordshire or any connecting Railway with which the Directors of the North Staffordshire Railway are in alliance.

Having, as Chairman of the Grand Junction Canal Committee of Management, concluded traffic agreements with nearly all the Canal navigations forming links in the chain of water route connecting the Districts already named with London and the South, I proposed to Mr. Ricardo, the Chairman of the North Staffordshire Railway Company, to enter into a similar arrangement as regarded the Trent and Mersey Canal.

As the terms I offered were strictly reciprocal, with participation in all the agreements I had entered into with the intervening Navigations, I expected to conclude an immediate and amicable arrangement.—I was disappointed.—Mr. Ricardo declined to treat, saying, that he was then negotiating with the London and North-Western