

THE SHAREHOLDER.

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THE NATIONAL RAILWAY POLICY—PROVINCIAL BILLS DISALLOWED.

If the Dominion Government has a National Policy the essential feature of which is the protection and encouragement of native industries, it has none the less a National Policy for the fostering of a great national line of Canadian Railway. The latter, too, is to cover the entire Dominion from the Atlantic to the Pacific as thoroughly as does the former. In pursuance of this its defined and well-understood railway policy, the Ottawa authorities have within the last few days felt themselves imperatively called upon to reject certain bills, granting local privileges, passed more or less recently by the Manitoba Legislature. One of these bills was intitled "An Act to Incorporate the Manitoba Tramway Co.," another, giving powers to build a line to be known as the Emerson and North-Western Railway Co.; the third was a general Act, passed by the local legislature, to encourage the building of railways within the Province, under which power was given for the incorporation by letters-patent of any number of persons not less than five to construct, operate and maintain railways in any part of the Province. All these provincial acts have just been disallowed by the central power at Ottawa—an act which has not failed to give considerable umbrage throughout Manitoba while it has raised some apprehensions elsewhere as to the possibility of federal encroachments on provincial rights. Such fear, so far at least as it is derived from the action of the Government immediately in question, is utterly unwarranted. Not only the interests of the whole Dominion demands it, but a positive contract, fortified by statutory enactments, compels it. It was one of the essential stipulations of the Canadian Pacific Railway Act, that twenty years from the date hereof, for of, railway shall be authorized by the Dominion Parliament to be constructed any point at or near the Pacific Railway from shall run south or north or to the westward of latitude 49; and in the establishment of any new province in the North-West Territory provision shall be made for continuing such prohibition after such establishment until the expiration of the said period." The two first local acts above referred to distinctly

violated this engagement. The third in a still greater degree ignored Dominion obligations, and even went to the extent of breaking its own provincial pledges and well-understood capabilities. Unless the Ottawa Government was prepared to repudiate—there is no other efficient word—the solemn obligations it had entered into with the Canadian Pacific Railway Co., and unless it was further prepared to endure the enormous financial burdens that would follow, or rather accompany, its breach of covenants with that corporation, it had absolutely no alternative but to refuse the vice-regal sanction to these ill-considered measures of the Manitoba Legislature. But in this, as in one or two other cases, hostile party exigencies have tried to work up a belief that the Central Government is steadily and systematically endeavoring to reduce the legislative powers of the various Provinces within the very narrowest limits that will be tolerated. The Streams' bill and the Boundary question in Ontario are cited in defence of this contention, and last week's decision at Ottawa, in the matter of the Manitoba local acts, as another. The late general election in the former Province clearly shows that the majority of the electorate there were prepared to sustain the Dominion Government notwithstanding its action on the two points at issue between the conflicting authorities at Toronto and Ottawa respectively. The same feeling would no doubt prevail in Manitoba should circumstances arise to invoke it. A very little deliberation will serve to show the great improbability of any Government's wantonly invading local privileges conceded under the British North America Act—the written portion of the constitution of Canada. Any such attempt would in a moment dash any party from the highest pinnacle of popularity to sheer destruction. To secure and keep an honestly-won popularity in each and every province is a just aim of any Government or party, and no more effective way to beget hostility could be found than to offend on provincial rights. To commit an error would simply mean permanent political extinction. But in this instance, as shown above, there is no trespassing on provincial privileges. The Ottawa authorities are under obligations that cannot be evaded to carry out their statutory agreements with the Canadian Pacific Syndicate, and they have no choice, even were they otherwise disposed, than to keep faith. The railway system of the Government is, as already remarked, as much a part of the national policy as that which is more especially known under that name. Indeed, in one sense, it may be said to be even more so, for while tariffs may possibly change our railway system will be permanent. And the latter can only reach its fullest future development by present encouragement bargained for and conceded by Parliament. That encouragement consisted largely, in its temporary protection against competition over a portion of its projected route—a com-

petition which the action of the Manitoba Legislature has tried to call upon it to meet. The late disallowances may cause a little temporary effervescence in the Province principally interested, but it will soon pass away when sober reflection makes it seem that the Ottawa Government was, in such action, only keeping the pledged faith of the country. Any such feeling, too, will rapidly disappear when the Manitobans observe, as they already may, that the Dominion thoroughly approves the late vetoes, and sees in them only an inevitable step in the carrying out of a great national railway policy. In a word, the disallowance is for the benefit of the entire Dominion, and is at the same time no real injury to the best interests of Manitoba.

THE GREAT HULL FIRE.

The great fire at Hull since our last turns out to have been no great fire at all. There has been no million dollars of loss. Several insurance companies have not been shaken thereby. A great and sound banking institution, with head-quarters in this city, is not trembling with anxiety at the possibility of what may happen to it in consequence of this cremation. Brought down to plain fact, the total loss is so small that no single leading bank or insurance company of any standing would be hurt at meeting it. Ninety-thousand dollars will fully compensate Mr. EDDY for all the damage by this conflagration, and as this sum is divisible among thirty-six companies it becomes, of course, a mere bagatelle to each. For similar reason, no bank can possibly be at all seriously involved by this fire. The lumber piles at Ottawa were at one time in some danger, and are pretty certain to go all together some day or night. When that destruction comes will be the time to look out for weeping and wailing among the banks and the insurance companies. But the latest "great Hull disaster" turned out, we are happy to say, a comparatively small matter.

THE UNITED STATES ELECTIONS.

The quadrennial elections among our neighbors were decided this week, and resulted in an overwhelming victory for the Democrats. We in Canada are indirectly interested in it, as this political revolution, for such it is, is calculated to lead to a great amelioration, if not entire reconstruction, of the present American prohibitory tariff. Incidentally, too, we are concerned in the vote as to the abolition of the tolls on the Erie Canal system, thus proposing to make it absolutely free to traffic. As no reliable information has reached us as to the decision of the New York electorate on this latter head, we are compelled to postpone comment till our next.

MOLSON'S BANK.—The monthly returns show an increase in circulation of \$20,000; deposits under the several heads have increased \$30,000; loans and discounts have been reduced about \$142,000.