

ed on Canadian stocks. The bounty on her of \$1.15 a ton amounts to only about one-fourth of the duty paid on material used in her.



SOME FACTS THAT TELL.

Cheapness in transportation is a factor in the progress and prosperity of any country, second only to the possession of natural or manufactured products to be marketed. To secure this it is necessary either to purchase or build vessels for the carrying trade. Building is the more preferable method.

Freight rates on wheat from Chicago to New York, show the following reductions per bushel:—

| Year. | Lake & Canal. | Lake & Rail. | All Rail. |
|-------|---------------|--------------|-----------|
| | cts. | cts. | cts. |
| 1868 | 22.79 | 29. | 42.6 |
| 1905 | 5.51 | 6.44 | 10.20 |

Ocean rates have also been reduced as follows:—
Grain from St. Louis to Liverpool, per bushel.

| | cts. | cts. |
|-------------------------|------------------|---------------|
| | Via New Orleans. | Via New York. |
| 1882 | 22.66 | 23.66 |
| 1905 | 10.00 | 16.62 |
| Chicago to Liverpool:— | | |
| 1896 | | \$0.335 |
| 1905 | | 0.1916 |
| New York to Liverpool:— | | |
| 1864 | | 3.3/16 pence. |
| 1905 | | 1.3/8 “ |

The cost of transportation of wheat from Chicago to Buffalo decreased from 9.89 cents per bushel in 1860, to 1.32 cents in 1905. Senator Frye, chairman of the National Waterways Commission, reported in 1892:

“A diminution of one mill per ton per mile, freight on United States railways effects a saving of \$100,000,000 to shippers.”

Mulhall states the cost of transporting one ton of freight one mile, in cents, is as follows:—

| | |
|----------------|--------|
| United Kingdom | \$2.80 |
| Italy | 2.50 |
| Russia | 2.40 |
| France | 2.20 |
| Germany | 1.64 |
| Belgium | 1.60 |
| Holland | 1.56 |
| United States | 0.80 |

The tonnage of Pittsburg, owing to cheap carriage of coal and iron, has come to exceed that of any port in the world. In 1902, the rail and river shipments exceeded 86,000,000 tons, the water shipments 11,000,000 tons, or more than either London or New York.

The parallel between the two countries might be carried still further to show that the internal transportation facilities of Britain and the foreign transportation facilities of the United States have both been neglected by their respective governments; both have maintained excessively high rates, in the one case to the disadvantage of the English consumer, and in the other to the loss of the American shipper.

From 1884 to 1904, the protected coastwise steam tonnage of the United States increased 161 per cent., and sail vessels 20 per cent., the decrease in shipping being in foreign carrying vessels.

The construction of the Panama Canal gives great possibilities to the American coasting trade, which is jealously guarded as an exclusive reservation for American built vessels.

On the other hand, American foreign carrying trade has passed into the hands of foreigners. American vessels engaged in it:—

| | |
|------|-----------------|
| 1861 | 2,642,628 tons. |
| 1905 | 954,513 “ |

It costs \$3 to carry a ton of coal in an American bottom from Newport to a Mediterranean port; it costs \$1 from Wales to the same port. The foreign shipping industry in the United States is in a constant state of bankruptcy, receiverships and re-organizations. Nearly \$100,000,000 invested in shipbuilding yields no interest.

Clearly, there is much to be done before Canada can be adequately served in seagoing transportation. Port facilities, for instance, must be improved. Only a short time ago the expert representative of an English city, which has expended \$30,000,000 on dock improvements, was sent to Canada to open up traffic between that port and our ports, derided the trans-shipping facilities of Quebec and Montreal; and generally scorned us for our failure to recognize that transportation by sea demands continually improving methods in every one of its contributory departments. The necessity for encouraging the building of iron ships is, therefore, part of the need for a larger, stronger, more courageous maritime policy on the part of those who have these affairs in charge. A vigorous representation now and then by mayors, boards of trade, and individual shipowners and builders will not produce a maximum of result unless they are a part of a determined programme of mercantile policy which will be preached everywhere with as much zeal and energy as are generally devoted to the unearthing of some petty parliamentary scandal, or the crippling of some legitimate enterprise on the plea that it is not conceived and operated solely in the interests of “the people.”



SCARED OF THE G.T.P.

One might draw a very lugubrious picture of the futilities of Grand Trunk Pacific engineers if one were affected by an article upon the new transcontinental system which the Ottawa correspondent of the London “Economist” sent to that journal recently. The correspondent is Mr. Farrer, one of the best known Canadian journalists. His article might have done considerable mischief to Canadian enterprise, because the “Economist” is eminent for conservatism and reliability, and anything which it admits to its columns is likely to be seriously regarded by the investing public across the water. But Canada is so popular nowadays in the United Kingdom, and there are so many channels of information uninspired by hostility to any sound enterprise, that the pessimism of which the “Economist” was made the medium cannot be very contagious.

According to Mr. Farrer, the company is now thought not to have made as good a bargain for itself as was originally believed. The criticisms of the Opposition, and a good many Canadian friends of the Grand Trunk proper are supposed to have shaken public confidence in some degree. First, the company is receiving no Government aid worth speaking of, in comparison with the enormous risks it assumed; secondly, the 500 miles of road from Quebec to Moncton will be built almost within hailing distance of the