

The Canadian Pacific Railway.

The following are extracts from the examination of General Manager Van Horne before the U.S. Senate committee on inter-state commerce in regard to the construction and management of that road: "The roads connecting Duluth and Minneapolis with the 'Soo' road were not owned by the Canadian Pacific, but the latter's friends control it. The bridge over the 'Soo' was owned by the Canadian Pacific half, Duluth, South Shore & Atlantic a quarter, and 'Soo' road a quarter. The chief traffic of the Canadian Pacific was Canadian to the extent of 90 per cent. This included cotton goods business from Canada to China.

"The Government turned over to a private company 771 miles of completed road, he said, when the public so demanded, as work under the Government was slow and expensive. Subsidies of \$25,000,000 and 25,000,000 acres of land were given for constructing only a part of the road. It borrowed \$35,000,000 from the Government and paid it back in \$25,000,000 in cash and 7,000,000 acres of land. The bit of road which cost the Government \$35,000,000 and was turned over to the company was worth nothing as a bit of property. Just as advantageous a piece could be built for \$22,000,000. The item of capital stock, \$85,000,000, is correct. It was originally \$100,000,000. It was to pay a dividend of 3 per cent. The company borrowed \$29,880,000 from the Government at 4 per cent., giving all it had as security. That was in 1884. Afterward it borrowed \$5,000,000 more. It claimed power to mortgage property by decreasing stock from \$100,000,000 to \$65,000,000. It reduced its land grant by giving the Government about 7,000,000 acres in lieu of \$10,000,000, and also paid the Government \$25,000,000. The land grant bonds have been cancelled by proceeds of land sales, all but \$5,000,000. The Government was paid by land grant sales and proceeds of sale of \$35,000,000 of bonds to the public. They sold for 94½ to 94¾. The subsidy on the line from Montreal to Matamoras, which will be opened next month, amounts to \$186,000 a year.

"We received from the Government 714 miles of completed road. It was not worth to the company more than \$10,000,000, for it would have taken a different route. It received \$35,000,000 and 18,000,000 acres of land.

"We got a good deal of passenger traffic on the Pacific Coast steamers, but very little freight. The tea trade was good the first year, and is sufficient to keep running a line of steamers of 27,000,000 tons between Hong Kong, Yokohama, and Vancouver. We have an arrangement by which the Imperial Government is to furnish a subsidy for a fast line between those points, but the contract has not been signed. We get 10 or 12 of the trans-continental trade—about 10 per cent. That includes the siatic trade. The fast line of steamers referred to are to make 17½ knots. They are to be fitted to act as war cruisers if needed for such a purpose. The subsidy is to be £60,000 per annum. It will be about evenly divided between the railroad and the steamers. The Pacific railway was built to make money for its shareholders, and for no other purpose under the sun."

Senator Cullom asked if before the Dominion Government permitted the Manitoba Government to build a connection from Winnipeg to join the Hill system the Canadian Pacific did not compel it to pay a bonus to the latter. Mr. Van Horne said the Dominion simply guaranteed the interest on \$15,000,000 of 3½ per cent. bonds. Mr. Van Horne was asked the total cost of the Canadian Pacific. Exclusive of the cost of 714 miles given to it by the Government, it cost, he said, \$153,000,000. The actual cash money on the road, exclusive of the 714 miles, was \$120,000,000, of which \$85,000,000 was private capital. The gross receipts last year were, he said, \$13,195,535. The net earnings were \$3,870,774. These figures included the earnings of the lake steamers. The earnings per ton per mile last year were 12-100 cents. The road had carried two or three consignments at less than cost from the Pacific coast on account of a tax inflicted by the Northern Pacific.

Western Resources.

The Ontario Government are evidently ready to furnish titles to mining properties just as soon as the cash for same is forwarded to Toronto. Notifications have been sent to quite a number, who have filed claims for properties, in which it is stated that patents will be issued upon receipt of remittance.—*Rat Portage News*. It is satisfactory to note that at last this vexed question is definitely settled and that cash is the only drawback to a title in the mining district of Rat Portage. The town now wants to hustle the capitalists and stride on to prosperity.

The *Rapid City Spectator* says in reference to the pottery just started at Ralston Valley, Manitoba: Nowhere have we seen better colored pottery, and we are assured that nowhere can there be found better clay for this purpose. There is not the slightest particle of lime [or lime-stone in it and it is entirely free from grit and requires no washing, but possesses an elasticity seldom found in any clay. The great success met with in burning the first kiln, which, by the way, was only intended as an experimental test of the qualities of the clay, is very gratifying. This first experiment proves that the clay is much better than was expected; and instead of having to make further experiments, manufacturing will go right on. It is intended to erect larger buildings for turning rooms, drying houses, etc., and also a larger kiln, so as to be prepared to manufacture on a large scale next season. The principal article to be turned out this season will be flower pots, stacks of which in different degrees of dryness and a lot burnt and ready for market are in stock.

The *Tribune* says, in regard to the Canmore coal mine: It will be remembered that Mr. Brinckerhoff came to Anthracite with the company who are operating the mines there, and afterwards he did some prospecting around Caumore, with the result that he found good seams of coal. He secured land through which the seam ran; but afterwards found the seam was on a school section which divided his lot in the middle. The Government put the school land up to auction and the Anthracite company

bid it out of Mr. Brinckerhoff's reach. He then returned to his home at St. Paul and the matter has lain dormant for some time. Early in March, he returned to locate the seams on his own land, and about the middle of April his efforts were rewarded by locating a seam 13½ feet thick, giving 11 feet of good, clean, hard Anthracite coal, and men are now engaged in sinking a shaft on this seam. They will push operations as fast as possible and as the market will demand. The coal will be hoisted from the shaft and transferred to a self-acting plane which will carry it 500 feet to the breaker, just one mile from the railway track. The spur track from the C. P. R. to the breaker will require no grading, the ties being merely laid on the ground and the line surfaced up. A bridge and trestle about 176 feet long will be built across the Bow. In about two weeks it is expected to ship about a car load a day, and about the first of September they will be ready to ship in large quantities. The outlay to get everything in running order will amount to about \$50,000.

Grain and Milling.

A grist mill is going to be erected at Russell by Cochrane, of Stratford, Ontario.

Stobart & Co. are putting up a large grain elevator and engine house at Duck Lake.

The grist mill by law at Austin was carried; the majority for it being 112, with only six votes against it.

Alexander Mitchell has retired from the management of the Keewatin Milling Company, and has been succeeded as general manager by John Mather, of Keewatin. The mill is closed down and stock-taking in progress on account of the change.

The Government in postponing the action upon the flour duty for another year, relies probably upon the hope that a bountiful harvest in the Northwest, safely housed, will remove the grievance of millers by giving them an abundant supply of Canadian hard spring wheat for mixing purposes, but even the temporary contentment of the millers will not blot out the tariff anomaly, nor afford that measure of security to the industry those engaged in it have a right to expect.—*Montreal Gazette*.

Messrs. Mackenzie, Ross & Madigan, through the last named, have completed arrangements with Mr. James Conmee, M.P.P., for water-power privileges of the Sault for their big grist mill, the erection of which will be commenced at once. The capacity of this mill will in the course of a few months be 1,200 barrels of flour per day. It is proposed to grind in transit chiefly for the export trade. Mr. Conmee has formed a company, which, with the exception of about 20 acres of land, has obtained complete control of the water power privileges at Sault Ste. Marie. These 20 acres are at present owned by the Ontario Government, and Mr. Conmee is after this land.—*Empire*.

THE partnership heretofore existing between Allan and Knox, at Saltcoats, has been dissolved, and Ruttle has taken Allan's place. They have built a shop and are busy manufacturing pumps.