

In 1885 the natural draught speed of the fastest British cruisers was 16 to 16 1-2 knots. But of the cruisers and ships since designed, 14 have a natural draught speed ranging from 20 1-2 to 22 1-2 knots, and 69 from 18 1-2 to 19 1-2 knots, and higher speed can be attained for short periods. There is no standstill in naval steam propulsion. The nations are seemingly trying to out-do each other. In the present Spanish-American war it is the fast boats that are in demand as auxiliary cruisers. A 22 or 23 knot liner would soon run down a 20 knot boat, and in view of Canada's large interests in maritime matters, and the importance of the safe delivery of mails, this feature of the question should be carefully considered in the establishment of ocean mail services.

2. Cheap transportation is the great requirement of Canada. The country which reduces to the lowest figure the cost of transferring tonnage from point to point, whether sea-borne or inland, all other things being equal, will have the greatest industrial and commercial development. This is seen by the wonderful growth of England's commerce, and the rapid increase of German and American domestic and foreign trade since the introduction of modern steam propulsion.

The wonderful competition that our great staple export crops are now obliged to meet in England and the markets of the world is well known. The competition from the immense increase of output, at low cost of food supplies and other products of industry,—an increase which has more than kept pace with the growth of population,—and from wheat areas having ocean navigation, and from the ever-increasing economies in transportation, has reached a stage that production is almost unprofitable to farmers in our western provinces.

The farmers in the Western States have the advantage of competing railway lines and water transit to the seaboard. In the over-sea carriage, the competition between the great ocean lines with their modern freight carriers has reduced the cost of transit to a minimum. The principal fast line companies on the New York route are building huge cargo boats for handling the heavy freight of their passenger traffic, and for general cargo purposes. The North German Lloyds and the Hamburg-American Companies in addition to their fine fleets of modern boats are building half a