

Companies, and the wear and tear on the track is infinitesimal. An actual additional expense incurred in the conveyance of this extra traffic is that attendant upon the slight labour of booking at the junction station at which it joins the intermediate line. In the case of the Grand Trunk, there are the charges consequent on the running of the engines and cars engaged in the service, beyond what they would be if they were idle, and the empty back mileage where the East bound traffic is largely in excess of the West bound.

While the tendency of excess in population and passenger traffic is to "go West," the present excess of population resident in the Eastern States and Europe, create a demand for greater quantities of the products of the West than the lesser populations of the West require of the manufactured products of European and Eastern markets. It is therefore evident that on the trunk lines there is a large excess of merchandise carried Eastward compared with that Westward bound.

The large space which manufactured articles going West occupies in proportion to the weight is very much at variance with the solid commodities going East—such as grain, flour, meats, and even with live cattle and hogs. Again, in taking into consideration the actual working expenses of moving such an aggregate of weight as that carried by the Grand Trunk the last five years—about three thousand five hundred millions of tons one mile—it should be remembered that in carrying the same weight and class of articles the same distance, in even the same car, the expense varies considerably when the traffic goes in different directions, as the varying gradients of the line enable engines to haul many more cars to a train load over some districts than would be hauled on other portions of the same railway. The working expenses of different sections of a railway are also affected in a different ratio by climatic influences; so that the excess traffic carried in later years varies in almost every particular from the traffic of preceding years. The local was then much greater, and general results show that each ton of freight was in former years hauled a much shorter distance, which would, of course, make the average expense more than for unloading and loading, and the same cartage expense is incurred upon a ton of freight, whether it is carried 5 miles or 500 miles.

I have alluded previously to the hopefulness of the present situation. The presidents of the principal trunk lines having agreed—after appointing permanent arbitrators—that rates shall be maintained, and perhaps even the great monopolist Mr. Vanderbilt may learn by such significant facts as the reduction in rate of the dividend of Michigan Central, and the recent decline in the market price of the stock of that Company, that the grasping policy he is pursuing may culminate in the wreck of his own fortune and those who are associated with him in his enterprises.

Mr. Vanderbilt being the controlling proprietor of the New York Central Railway, his interest is paramount in maintaining the dividend at its present rate of eight per cent. An article in the *North American Review* for February states that the dividends for six years to 1877 amounted to nearly forty-three million dollars; but that in the statement of receipts, after particularising the different items which usually appear as "railway revenue," there is a "miscellaneous" in the six years amounting to nearly six million dollars of the entire earnings. The writer continues: "When the stockholder puts his dividend check in his pocket he has the satisfaction of knowing that more than thirteen per cent. of it consists of a miscellaneous and mysterious receipt, which the Company declines to 'specify in detail.' With rare exceptions, either in this country or in England, have Directors been found—no matter how important their titles or their families—who could, or would, safely and honestly, administer the business of great corporations, unchecked and uncontrolled, by complete and absolute publicity, both in general and detail. Absolute knowledge and unlimited publicity can alone prevent such disasters as have recently in England been so great as to paralyse private credit and to beggar whole classes of people who trust everything to the respectable names of those controlling their property."

The Grand Trunk is now, I believe, on the point of achieving that for which Presidents and Managers have worked and planned for years. If at the time when the gauge was changed, more additional capital had been raised, and the control of one of the several routes to Chicago secured, the complaints which have been uttered against Mr. Vanderbilt monopolizing the best traffic would never have been heard; and there doubtless would have been an understanding come to with the Great Western beneficial to both Companies. As far back as 1861, Sir Edward Watkin ardently wished to make Chicago the western terminus of the Grand Trunk, and his earliest work was to concentrate the management of the Great Western and Grand Trunk Companies under one head, which was, however, frustrated—as have been all attempts since of a similar character—by the opposition of the Great Western Directors. His connection terminated after he had rescued the line from the chaos and bankruptcy which appeared to imminently threaten it when he was called to the rescue. During his Presidency the undertaking emerged from the position of a local line to become a portion of one of the through trunk lines by the acquisition of the Buffalo and Champlain Railways which led to the subsequent erection of the International Bridge across the Niagara River at Buffalo. Sir Henry Tyler, in succeeding to the Presidency, brought to the work great

ability and zeal, and in conjunction with the very capable and energetic General Manager, who seems to live in order that he may work for the Grand Trunk, will, doubtless, succeed in putting the railway in a position to do its own business direct with the great shippers of the West. It is likely that in a few weeks Mr. Hickson will have made the final arrangements by which the Grand Trunk will become one of the great through lines of this continent, commanding traffic for the markets of Europe and the Eastern States of North America.

IS THE COUNTRY SATISFIED?

No. III.

A few weeks ago I commenced in the CANADIAN SPECTATOR a series of articles with above heading. If such a question provoked a negative answer then, I do not hesitate to affirm that subsequent political events still more emphatically corroborate and sustain the charges already made in relation to the new tariff.

In passing from one branch of commerce to another, one finds even the National Policy men themselves dissatisfied, and the general trading community expressing unqualified disapproval and an increasing instead of diminishing hostility.

But as special illustrations drawn from this exhaustless topic are preferable to general anathemas, I will again take up one particular item, this time that which is broadly known as the crockery business, and see how the new regime works in this important and useful line. At the outset we are met by the old obstruction in the way of all taxation of imports, namely the difficulty—I may almost say impossibility—of correct classification of goods. I find that in England the North Staffordshire Chamber of Commerce has already memorialised the Secretary of State for the Colonies respecting the effect at home of the present Canadian tariff on manufactures of earthenware. In reply Sir Michael Hicks-Beach mentions that he had also been in correspondence with the earthenware manufacturers of Scotland on the same subject—a fact showing the wide-spread nature of the trouble caused by the sage legislation of the Dominion Government. As it was then explained to these Staffordshire gentlemen: By the provisions of the tariff, "earthenware and stoneware, brown or coloured, and Rockingham ware, are subject to a duty of twenty-five per cent.; and earthenware, white granite or ironstone ware and C. C. or cream-coloured ware to a duty of thirty per cent.; whilst upon china and porcelain and all other unenumerated classes the duty is twenty per cent." Sir Michael goes on to explain that "the higher rate is charged upon the commonest kinds of earthenware, or such as can be *and are* produced in Canada, and the lower upon such as can only be obtained from other countries."

Now, as a matter of fact, none of the white granite or cream-coloured ware which pays the prohibitive duty of 30 per cent. comes from the United States, nor can it be made here; for the reason, that the glaze and body which form the distinguishing characteristics of these lines are substances which are not, nor will be produced on this side of the Atlantic.

The Collector of Customs at this port (Montreal) has also lately received a communication from several importers and extensive dealers in crockery, relative to the unjust legislation by which they are now made to suffer. It is greatly to be feared, however, that such remonstrances, unless made in some strong form to our House of Commons, and emanating from Great Britain, will meet the fate of all other grievances and complaints that will not cease to be heard so long as the present iniquitous tariff remains in force.

The unconscionable principle which underlies the method of imposing taxation on this class of goods is the same as has already been shown to pervade almost the entire system,—the grinding of the poor at the expense of the rich. It is needless to remark that there is not a house, not a room, which does not furnish its quota in the demand for crockery of some sort; and here we have the barbarity of rating the useful and indispensable lines of English earthenware no less than thirty per cent., while fancy French goods are admitted at two-thirds of that amount. Following the same rule, the mechanic's winter overcoat, and the heavy beavers worn by the labouring man, are now subjected to a heavier duty than the costly fabrics which go to make up the principal part (I am compelled to believe) of some of our aspiring politicians and irresponsible dandies around town.

Mr. Tilley lately addressed a meeting at Manchester, at which he endeavoured to prove that the Tariff would be a benefit to England as against the United States. Such a position is utterly untenable, and was resorted to only for the purpose of allaying the natural irritation felt in the manufacturing districts, or perhaps to render possible the floating of the Canada Pacific loan.

I maintain the justice of my original charge, that almost the entire Tariff is antagonistic to the interests of Great Britain, no matter what other SPECTATOR correspondents, who carefully veil themselves in the secrecy of heathen appellations, may say to the contrary. I am glad to see that this injustice is patent to all right thinking men across the water; and that Mr. Cowan has received great encouragement on bringing the whole matter before the Imperial Parliament.