

effect of a bad harvest on grain freights, which, says the directors, "afford but comparatively little profit, is not nearly so serious as its effect on the vastly more profitable general local traffic, both freight and passenger, to offset a loss in which no material saving can be made in working expenses." That is to say, the indirect effect upon a railway of a bad harvest, in the general restriction of trade and travel, is worse than its direct effect in the lessened aggregate of grain tolls.

On pages 12 and 22 of the report we find evidences of what may be termed Mr. Van Horne's optimism. In the one case he refers to the Canadian Pacific as big enough and broad enough to run successfully whether the crop in any one province or any one season be good or poor. This assumed independence is also due in part to the development of mining and other industries and "in part to the establishment of far-reaching connections whereby traffic may be gathered in case of need." And in the other he dismisses in a ten-line paragraph the threatened railway legislation by the United States—to be levelled at the great Canadian railways—after this fashion: "Many sensational reports having been published about impending legislation at Washington inimical to Canadian railway interests, your directors beg leave to say that in their opinion there is no good cause for uneasiness. It is not to be believed that a body like the Congress of the United States will be moved to such a course by the false or exaggerated statements concerning the actions and policy of the Canadian Pacific Railway Company, emanating from parties whose sole object is to check legitimate competition."

It is the opinion of the board, too, that with a very small increase in earnings five per cent. dividends can be maintained without regard to the Guarantee Fund. Certainly it is significant of the good credit of the company that it has been able to float near a million pounds of four per cent. bonds for the purpose of acquiring the 5 per cent. guaranteed preferred stock of the Atlantic and North-Western Company, which extends from Montreal to Megantic, Que., and thence to Mattawamkeag, Maine.

A good deal of the report is occupied by a recital of the new enterprises of the company, either begun or in contemplation. Some of these are of marked importance. The Canada Central portion of the road is expensive to work, hence it is intended to reduce the grades and straighten the line. The Detroit extension, from London, is practically completed, and secures connection with the Wabash system for Chicago and St. Louis. The company has agreed to lease for six years, without rental, the Qu'Appelle, Long Lake, and Saskatchewan Railway line, already completed 150 miles north-west of Regina, and to be extended this year to Prince Albert. It will also lease the Calgary and Edmonton Railway on like terms for a like time. Then, a move of some moment to British Columbia, the company proposes to lease the Shuswap and Okanagan Railway, from Sicamous Narrows to Okanagan Lake, 51 miles, and to pay as rental therefor 40 per cent. of the gross earnings.

Furthermore, "to prevent the invasion, by competing lines, of the Kootenay District," in the same province, as the report puts it, the directors have secured the charter of the Columbia & Kootenay Railway Co., and have agreed to complete thirty miles of railway to connect the navigable waters of Kootenay Lake with those of the Columbia River. They get a grant of 200,000 acres of land from the Provincial Government in aid of the line.

Sales last year of Canadian Pacific and Manitoba South-Western lands amounted to 195,160 acres for \$731,194, as compared with 162,310 acres in 1888 for \$553,910. The price realized was thus \$3.74½ per acre last year, where in 1888 the price obtained was only \$3.41 per acre. The poor crop manifestly affected the land sales unfavorably.

TELEGRAPH EXTENSION WESTWARD.

Western Canada is making itself heard from in various ways. Not the Western Canada of twenty or thirty years ago, which was simply the Province of Ontario, bounded then on the west—or popularly believed so to be—by the Detroit and Ste. Marie Rivers, but the great West extending to the sunset, namely Manitoba, the North-West Territories, and British Columbia. A few months ago, Mr. Lyman Dwight left this city to reside in Winnipeg and take charge of the business of the Great North-West Telegraph Company in Manitoba. He now reports that there is room in the far West, as well as nearer home, for opposition in telegraphy. Accordingly it is proposed to erect G.N.W. Telegraph lines in British Columbia, and extend the lines of the Western Union from the United States to connect with them. Mr. Dwight has just visited the coast of British Columbia and Washington State. As a result of the visit he recommends that a line be built from Blaine, in that State, to New Westminster and Vancouver, B.C., and this proposal, we are told, is now being considered. It is also "on the carpet" to lay a cable from the last named place to Nanaimo, which is on the Island of Vancouver, some fifty miles across the Strait of Georgia, and to construct a land wire from there to Victoria. If these recommendations are accepted we understand that the Western Union Company will extend a line to Blaine as above stated.

At the present time all the Canadian telegraph business in that region is done by the Canadian Pacific Telegraph Co., and as the country is being rapidly settled and developed it is considered highly expedient for the other company to get established there. The proposed lines will place the Great North-Western Company in a position to compete for business between British Columbia and the eastern provinces of Canada as well as Manitoba. Then it will also give the Western Union people facilities to handle American business on the British coast.

Visitors to the Western coast who return to Eastern Canada and recount the wonders of the journey, the charms of Victoria, the record-beating growth of Vancouver,

the ambition of New Westminster, the "boom" and bustle everywhere seen, are asked (by those who have never been across) "Is there country enough around that group of cities to support them? What are Vancouver people going to live on when the land boom bursts? Do you know how small a part of that 'sea of mountains' is arable land?" and so on. We observe that Mr. Dwight has evidently been asked—and that by Manitoba people, what a shame!—some such doubting not to say disparaging questions as these. His reply is that, as we find him reported in the *Free Press*, "The Manitoba idea that in order to have a big city the district around must be settled by farmers does not hold good on the coast. Cities are maintained there by the wealth that accrues from mining, lumbering, fishing, etc., over great and distant areas. These industries are the means of circulating an immense amount of money, while apparently but a small proportion of the population is directly engaged in the work." He finds, besides, that much attention is being given to the establishment of manufactures in the province, and that immigration into the province is active. More people, he declares, are settling on land or initiating enterprises which are calculated to assist in the development of the natural resources of the country than is generally supposed elsewhere in Canada. Hence Mr. Dwight believes that trade will soon overtake the enterprise of investing capitalists, even if the terminal city does just now appear overbuilt. In view of the prospects the superintendent has faith that the Great North-Western Telegraph Company will realize the importance of securing a footing in the province, and maintaining communication between the East and the growing West. We can hardly be wrong in averring that the company does realize the future growth of that country, and that it will speedily arrange with its friends the Western Union people for wire and cable connections of the kind indicated.

THE SILVER QUESTION IN THE UNITED STATES.

A rival to the Windom Silver bill has appeared in Congress, under the patronage of Senator Jones, of Nevada. It proposes to increase the purchase of silver by the Government to the amount of \$4,500,000 a month, to coin only as much of it as would be required for redemption, and to issue Treasury notes on the remainder as bullion. The expectation is that, if this were done, the value of silver would before long reach the ratio of 15½ to gold, fixed by the Bland bill, now in operation. In some quarters this bill is preferred to the Windom bill; each has its advocates and opponents. Either of them would bring the country nearer to a silver standard, and that standard once adopted, the gold would go elsewhere, where it was in most demand. A large increase in the issue of Treasury notes, on silver deposits, would increase the Government currency at the expense of that of the banks. That process has in fact been going on for some time, and if any bill such as either of the two now