

RAILWAY CONSTRUCTION IN CANADA.

It would seem that some English journals are impressed with the idea that Canada is building her railways too fast. The latest available statistics show that there are 16,091 miles of line laid in the Dominion, and the capital expended is \$894,660,559. Towards the cost of the construction of this mileage the national government has contributed an average of \$9,369 per mile, the provincial governments \$1,847, and the municipalities \$881 a mile. Altogether the subsidies amount in round figures to \$195,000,000. It is held that the results obtained do not justify liberality so great. A correspondent points out that in Cape Colony the proportion of the net revenue to the capital cost of the railways is 5.75 per cent.; in India, 4.96 per cent.; in South Australia, 3.13 per cent.; in New South Wales, 3.46 per cent.; in New Zealand, 2.73 per cent.; but in Canada the proportion is only 1.57 per cent. In Tasmania alone, of all the British colonies, is there a lower return. The cost of a railway, it has been laid down by some authorities, should not be more than ten times its annual traffic, that is to say, the annual traffic should yield 10 per cent. of the capital cost. The application of this test to Canadian railways shows that the percentage of traffic to cost is about $5\frac{1}{2}$ instead of 10. This result is decidedly disappointing. *Transport* is of the opinion that it is due not so much to reckless expenditure on unremunerative lines—for it is a well understood principle of railway building in the western hemisphere that the railways should precede the population—as to an unsuccessful immigration policy. Immigrants have been attracted to Canada, but after a few years' residence greater inducements have been held out on the other side of the border, and many desirable settlers have migrated to the States. Possibly the development of the mineral wealth of Ontario and British Columbia will be more successful in encouraging settlement.

JOURNALISTIC BLACKMAIL.

The trial of Julius and Morris Jacobs on the charge of "threatening to publish, and proposing to abstain from publishing, matters and things concerning Marcus Bebro with intent to extort money," ended satisfactorily enough, as far as it went, with a sentence of twelve months' hard labor. But, after all, it only called attention to an isolated instance of an offence, justly described by Mr. Commissioner Kerr as "very mischievous, dangerous and despicable," which is a matter of every day occurrence in city journalism. Blackmailing, whether of persons or, as it more commonly shows itself, of companies, and especially new companies, is known to be the source from which the greater part of the so-called financial press derives its subsistence, assisted also by its counterpart—a perhaps even more despicable and dangerous means of livelihood—the laudation, for a consideration, of people whose reputation requires such factitious cherishing, and of shares and securities which can only, with this assistance, find a market. In short, the financial press to which we refer, not content with making or unable to make, an honest living, makes a dishonest one, deliberately prostituting itself and misleading the public, calling black white, and white black, for a few bank notes, or the call of a hundred shares. An outburst of activity in any department of financial enterprise is now followed, as a matter of course, by the creation of a swarm of new papers, which are destined either to tell lies in the interest of some capitalist or group, or to threaten to tell the truth about others unless they are "squared."

After or towards the end of the Kaffir boom came the brief but dazzling period when the market was flooded with new West Australian ventures, the circumstances and prospects of which made in too many instances the assistance of journalistic venality a first necessity; and the gutter press, now grown exorbitant in its demands, added materially to preliminary expenses, and to the amount of capital which is debited to that unfortunate field as having been sunk in it, whereas promoters and their mercenary force of sharpshooters have pocketed a considerable proportion. And since then up to the present moment there has been a steady stream of industrial creations, the prospectuses of which are impudent demands for public subscriptions, conspicuous for the total absence of all those points which alone can honestly claim

the confidence of the investor. Thus the financial press is still kept busy, and can make a comfortable subsistence in spite of stagnation on the Stock Exchange and the decline of speculative activity.

The procedure is at once simple and effective. The promoter of a new concern who does not take the measures considered necessary by the voices of such financial opinion, is at once reminded, in terms which are unmistakable, without being sufficiently explicit for the requirements of the criminal law, that his bantling can only be ushered into public existence with *eclat* if the experts who propose to decide on its merits have had their judgment sharpened by advertisements of such and such dimensions, and so much extra, paid either in legal tender or in calls of shares at a discount, for editorial comment or a leading article. Any one who will take the trouble to glance at a few of the prospectuses that are appearing at present will see at once that they could never stand the test of honest criticism, much less against the malice of a disappointed blackmailer; most of them, in short, are so obviously bad that with an honest financial press their issue could not have been even contemplated, and only the certainty that a certain consideration would ensure their being received with a chorus of editorial eulogy could account for them.

Thus this dangerous and despicable system goes on, feeding on public ignorance and financial rottenness. Occasionally it oversteps the bounds of prudence and gives itself away, and so gets twelve months hard labor.—*London Economist*.

BANK OF BRITISH NORTH AMERICA.

The sixty-first yearly general meeting of the Bank of British North America was held on March 2nd at the offices, Clement's lane, London, Eng. Mr. J. J. Cater presided, and, in moving the adoption of the report, gave a *resume* of the results of Canadian trade. He noted an increase in exports, which, indeed, were the largest on record, and an increase of imports. He mentioned also the dairy industry, which would be increased by the cold storage system. The bacon trade was growing; while grain crops had been good, the prices were low for most kinds of grain. The seal fishery in the Pacific had been satisfactory, but there had been a decline in the prices obtainable for the skins in this country. The Halifax fishing trade had not been so good, and there had been a falling off in trade with the West Indies. The mining industry in Canada was active, and there were a number of mines giving good results. Phosphate was in a state of collapse. The latest returns respecting the mineral output of Canada stated that for 1896 the value was nearly \$23,627,000, or an increase of \$1,500,000 over that of the previous year.

Mr. Cater deplored the paralyzing effect that the tariff uncertainty in Canada and the United States is having on trade; but for that, he said, an improved trade feeling must soon develop into distinct prosperity. The bank's experience of Rossland as a banking centre has been most encouraging. The chairman had great hopes also of Sandon, Kaslo and Trail.

Referring to the business of the bank, the chairman said the demand for money last year in the Dominion was of very short duration. Including the balance brought forward of £5,251, the profits for the half-year to December 31 last had been £26,018, out of which a dividend of 20s. per share, tax free, had been declared, leaving £6,018 to carry forward. They had appropriated from the profit and loss account for the benefit of the staff £379 to the officers', widows' and orphans' fund, and £327 to the officers' life insurance fund. Mr. Henry F. Farrer seconded the motion, which was unanimously adopted.

COST OF LABOR STRIKES.

In the railway strike of 1877 the loss to property and business inflicted by the mob at Pittsburgh alone is estimated at \$5,000,000, and the county of Allegheny was compelled to pay \$2,787,000 of the loss sustained during the Pittsburgh riots. The Chicago strike cost the railways \$5,358,000, and the employes \$1,700,000, a total of \$7,058,000, not including the loss to the Pullman Company. The National Commission says that "beyond these amounts very great losses, widely distributed, were incidentally suffered throughout the country." The California fruit growers, for example, lost

\$50,000 a day. The total loss which resulted from that one strike in all probability exceeded \$10,000,000. The telegraph strike of 1883 cost the companies \$909,000 and the men \$250,000. The railway strike on the "Gould system" in 1886 cost the strikers \$900,000, those thrown out of employment by their action \$500,000, and the railroads \$3,180,000.

For the strikes that occurred from 1881 to 1886, inclusive, the wage loss by employees is estimated by the United States Commissioner of Labor at \$51,814,000, and the employers' losses are estimated by the same authority at \$30,701,000. And the trouble is not growing less as the years go by. From 1741 to 1880, inclusive, there were 1,491 strikes and lockouts; while for the six years ending December 31, 1886, the number of strikes alone was 3,902—forty a year, for the first period, and over six hundred and fifty a year for the second. Making all due allowance for fuller reporting of strikes in the later period, the contrast is still a startling one.

Surely it is cheaper as well as more just to settle by court than by trike. At present we pay for the strike first, than we pay for a commission to examine into its causes and results; let us have the enquiry first, and save the expense of the strike.—*Prof. Frank Parsons, in Arena*.

ADVICE TO INDUSTRIAL WORKERS.

The following is from the excellent address of John R. Hegeman, president of the Metropolitan Life, delivered at the recent banquet tendered by Superintendent Grosner, of New York city:

I counsel you to continued, and if possible, increasing, industry. The lazy man is no better than a dead one, and he takes up more room. Be determined—obstinately determined—to succeed. No really determined man can be kept from success. If you put stumbling blocks in his way, he uses them for stepping stones. If you put him in jail, like Bunyan of old, he writes the "Pilgrim's Progress." If you rob him of his eyes, like Prescott, he produces the "Conquest of Mexico." If you say that it is not worth a tinker's rap—that it is destined to bankruptcy, and is only fit to go into the hands of a receiver (as was said of the Metropolitan a few years ago), you rouse the spirit of dogged determination in the management which forces the company to twenty-seven millions of assets and nearly five millions of surplus. (Hearty applause.)

Again, I adjure you to concentrate all your energies on this business. Do not be diverted by anything else. It is the men of one idea that rule the world. Scientists tell us that there is enough energy in the sunbeams spread over a 50-acre lot to run, if concentrated, all the engines and machinery in the world. The sunlight covering the size of your hand counts for little, but concentrate that little through the rays of a burning glass, and you may set a city in flames.

Next, guard well the homely old virtues of honesty, integrity, energy and industry, and those qualities will show themselves in your very faces; you will come to the description of Thackeray, who said: "Nature has written a letter of credit upon some men's faces, which is honored wherever presented. You cannot help," he said, "trusting such men; their very presence gives confidence. There is a promise to pay in their faces which carries faith wherever they go and in all they do." Be the kind of men described by Francis Horner, who said of Sidney Smith: "The Ten Commandments were stamped upon his forehead."

BELL TELEPHONE COMPANY.

The annual meeting of the Bell Telephone Company of Canada was held at the company's office in Montreal. There were present Messrs. C. F. Sise, president, in the chair; Robert McKay, Robert Archer, Charles Cassils, Charles Garth, Hugh Paton, C. R. Hosmer, D. Ross-Ross, and thirty or forty others. The report showed that 653 subscribers had been added during the year, and that the company now operates 615 offices, which are joined together by long distance lines comprising 15,864 miles of wire on 6,060 miles of poles. The report was deemed satisfactory, and the old board of directors was re-elected.