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THE SITUATION.

There is in General Booth's plan of providing for the poor on land much that accords with the suggestions of Sismondi, sixty years ago. He thinks, instead of a man having 160 acres which he cannot cultivate, twenty acres and a cottage should suffice for the individual. The notion of both is that these cotters should simply produce for their own consumption and not to sell. But they could scarcely produce everything they need, and if they had little or nothing to sell, they would have no means of buying. An isolated cotter settled on ten acres of land would work at great disadvantage; he could not work even that much without a horse, and he could not afford to feed one on his little plot. And if he could, one horse would work at great disadvantage. But General Booth's plan evidently implies some form of co-operation. His demand for 100,000 acres of land is too ambitious; he should be content to make the experiment on a more modest scale. But he does not appear to wish to obtain an absolute grant of land, but only to secure it for ten years, at the end of which experience would give a better idea of what could be done. We should then know whether the occasional criminals found among the immigrants had been or were in a fair way of being reclaimed. If the facts gave an affirmative answer, there would be little reason to dread future additions of such materials to the colony; but if any considerable number of them relapsed and joined the criminal class, public opinion would demand that the further importation of such immigrants should cease.

West Toronto Junction's municipal condition is not at present prosperous, and an appeal will be made to the legislature to pass a Stay law for the benefit of the town. It is not proposed that the debt shall be scaled, but only that payment shall be postponed for a definite time. The right or equity of legislative interference in such a case is doubtful. Even if the constitutional right exists, the exercise of it would be a delicate matter. Far better would it be to arrange with the creditors for the desired postponement, and if that were done, legislative ratification would not be out of place. But nothing, it is clear, ought to be done without the consent of the creditors, and it is not likely that the legislature will consent to act in the absence of a warrant from them. Bonuses to manufactures, a form of local pro-

tection, is largely to blame for the trouble. This system, if extended far, recoils on itself; the non-bonused manufacturer has to pay to prop up those that are more favored. When the time comes, as it has in the case of the Junction, that no more bonuses can be given, manufacturers in search of a location are repelled from a place where they would have to assist in paying bonuses to others. It is probably useless to point to the present financial condition of the Junction as a warning against bonusing manufactures. Even Brantford, with its free trade leanings in other directions, made use of side-wind to aid a manufacturer there, not by a direct bonus, but a measure that had practically the same effect. So long as local selfishness exists, and the law permits of it, local bonuses are likely to be given.

What the Dominion Government has agreed to do in connection with the Atlantic and Lake Superior Railway Company is to act as trustee for the bondholders and pay interest on bonds with any money lodged with it for that purpose. This sort of agency led the Government into trouble in the case of the Municipal Loan Fund, the result being that Government had to assume the payment of bonds which it had originally only undertaken to pay out of the special fund. It is true that the office accepted by the Government for the Atlantic and Lake Superior Railway Company was performed by it for the Canadian Pacific, to secure the dividends to stockholders. In that case, the amount deposited was sufficient to last ten years. In all such cases time is an element, and the longer it is the more valuable the guarantee. The practice of providing in this way for payments of dividends or interest, for short periods, even where the Government was not asked to intervene, has in some periods of financial history been used on the London Stock Exchange as a dangerous decoy, notably in the perilous times that preceded the collapse of 1897. Of course the danger, in the present instance, is that the notion may get abroad that the Government guarantees to make certain payments out of the public funds. In point of fact, the first story that reached this country in connection with the attempt to float the bonds of the Atlantic and Lake Superior Railway Company, had connected with it an assertion of such a guarantee. And a cablegram states that a proof prospectus is so worded as to be likely to convey this impression. All things considered, it would be best for the Government to relieve itself of a trust which appears to have been assumed without due consideration, if it has not been designedly worked for more than it is properly worth.

Three accidents within one week measure the misfortunes of the Grand Trunk Railway during the recent storm. Two of them were made possible from the same cause: the despatch of a train from one station before it was known that the point for which it started had been passed by the preceding train. On the Midland, a number of passengers report, in writing, that previous to the time of the despatch from the station of the train which ran into another from behind, it had been ascertained that the track was clear to the next station: the first omission to exercise this caution proved fatal. This, it would seem, from the fact stated, to have been the rule, and the departure from it to have been an incidental irregularity. And if it was the rule on one section of the road, it is reasonable to assume that it must have been on the other. Any responsibility for these accidents would seem to rest on the local officials, and not to be due to a defect in the company's rules and regulations. The third accident seems to have been uncontrollable, being due to a snow plough leaving the track and dragging the engine after it. The loss of life is a matter of supreme