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PRINCIPAL CONTENTS OF THIS ISSUE.

ALBERTA'S RAILWAY AND BOND TANGLE.

The Alberta and Great Waterways tangle is likely to become a historic feat of financing. Bonds amounting to $7,500,000, and guaranteed by the provincial government, were sold in London for the purpose of building a railroad into the Peace River country. Then came the charges of corruption, the dissolution of the Cabinet, and the collapse of the transportation scheme. The new premier, the Honorable A. F. Sifton, naturally thinks that the sum of $7,500,000 raised in London is too good a thing to dissipate idly. He knows that the government guaranteed the bonds, and that a breach of that guarantee would irreparably damage his province's credit.

The following are three clauses of a bill the premier has introduced in this connection:—

1. The province of Alberta hereby ratifies and confirms the guarantee by it of the said bonds, and the premier of Alberta is hereby empowered and instructed to execute a guarantee on behalf of the province of said bonds.

2. The whole of the proceeds of the said bonds and all interest thereon, including such part of the proceeds of the said sale as is now standing in certain banks in the name of the premier of the province, or otherwise, as follows: $6,000,000 and accrued interest in the Royal Bank of Canada; $1,000,000 and accrued interest in the Union Bank of Canada, and $4,000 and accrued interest in the Dominion Bank, is hereby declared to form a part of the public revenue fund of the province of Alberta, free and clear of any claims thereon or thereto by the Alberta and Great Waterways Railway Company, their successors or assignees, and together with all accrued interest thereon shall, to the extent to which they are so held, be forthwith paid over by the banks and by any other person holding any parts thereof, to the treasurer of the province without any set-off, counterclaim or other deduction whatever.

3. Notwithstanding the form of the said bonds and guarantee thereof, the province of Alberta shall as between itself and the Alberta and Great Waterways Railway Company be primarily liable upon the said bonds to the several holders thereof, and the province shall indemnify and save harmless the railway company and its assets and undertakings from any and every claim made under the said bonds or any of them.

We are told that Premier Sifton proposes to build roads and bridges in Alberta with the money raised in London to build a railroad. If this is so, a somewhat dangerous precedent is created in borrowing money for one purpose and ultimately using it for another. Every effort should be made by the Alberta Government to use the money for the construction of a railroad, even though the proposed Alberta and Great Waterways line is no longer to be reckoned. But it is not to be plain sailing for the premier, as one of the chartered banks may fight the province with a view to preventing it from taking $6,000,000 of the Alberta and Great