

plained diminution in the per centage of the sums latterly divided among policy-holders. That these "dividends" have been growing small by degrees and disagreeably less of late years, is, we believe, sufficiently notorious to leave little room for question. The helpless holders of these policies have already learned the lesson of their disappointment; and, taking counsel of their fears, are in a maze of wonder and alarm as they compare the present with the past and begin to realize the wreck of their hopes as to the future."

This is very strong language—stronger we hope than the circumstances would justify. The same journal thus explains the reason of such a falling away as is complained of—

"Diminished dividends indicate an enhanced cost of insurance, or the shrinkage, through expense, of the margin formerly susceptible of division among policy-holders. Under this state of things companies can no longer, with any propriety, challenge the comparison between life insurance and savings' bank deposits as a means of profitable investment."

EASTERN TRADE AND OUR PACIFIC ROUTE.

Much interest has long been felt in the question, whether it is possible to attract the trade of China, Japan and other oriental countries, with the western States of Europe, across the continent. Although the American Pacific railway has now been for a considerable time in operation, the problem cannot yet be said to be solved, for so great a change in the route of Eastern trade must necessarily be a work of time, and besides, it is only by steam from the east to Vancouver Island, and by water and railway, or railway alone, from there to Montreal, Quebec or Halifax, that the cost of transportation across North America can be reduced to the minimum. Several eminent men have firmly believed that the course of Oriental trade could be probably turned across this continent. The late D'Arcy McGee, it is well known, held tenaciously to this opinion, and more than once in his place in Parliament, eloquently pictured the time when the productions of the east would pass through what is now the Dominion of Canada, on their way to European markets. Lord Bury, who is well acquainted with Canada, from his residence here, many years ago, has publicly stated, when speaking of the trade of Europe: "Our trade in the Pacific Ocean, with China and with India, must ultimately be carried on through our North American possessions." And it is well known, that hopes of doing, at least, a part of the carrying trade between the east and Europe, entered into the calculations of the promoters of the American Pacific railway, and the realization of these hopes is by no

means given up. It is claimed by American writers that by steamer from Hong Kong to San Francisco, by the Pacific railway from there to New York, and by steamer from New York to Liverpool, a cargo of teas can be sent in one half the time it takes by the old route round the Cape of Good Hope. We see no reason to doubt this statement—in fact, even taking the short cut of the Suez Canal, there might be a saving of time if not of distance. We frankly confess, however, we have always had doubts as to whether cargoes could be carried as cheaply and in as good condition across this continent as by the water route. Many well-informed persons, on the other hand, take the opposite view, and fully believe the predictions of Lord Bury, and Mr. McGee, not to have been rhetoric of the orator, but the sober language of the statesman.

If time makes good these predictions, and if ever a portion of the large trade of China, Japan, India and Australia is destined to cross this continent on its way to Europe, there is one thing which the people of Canada may congratulate themselves upon. The shortest and cheapest route from Europe across America to these countries, lies through our territory! This will be readily seen by the following statement of distances from Liverpool to the Pacific ocean, which there is reason to believe does not vary much from the actual measurement:

(American Route.)

From Liverpool to New York..... 2,980 miles
" New York to San Francisco by rail... 3,300 "

Total number of miles..... 6,280 miles

(Canadian Route.)

From Liverpool to Montreal..... 2,740 miles
" Montreal to Thunder Bay..... 1,030 "
" Thunder Bay to mouth of Fraser river 1,979 "

Total number of miles..... 5,749 miles

These figures show a distance of 531 miles in favor of the Dominion route, and we believe the time required to go between Vancouver Island and China is not greater than from San Francisco. The saving of so long a distance is an important advantage over the American route, but this is only a part of the inducements we should be able to offer in order to attract Eastern trade, should it ever become an object to do so.

Now that the government has fairly embarked in the scheme of a Pacific railway, the idea of opening up a land and water route may be said to be given up. But it is worth referring to, for very few have any idea how much nature has done towards making a water highway from the Atlantic to the Pacific through our territory. It is a fact, which many will be astonished to learn, that a *voyageur* can go from Quebec across to Vancouver Island, by water with

the exception of a little over 500 miles! with the proposed improvement of the Ottawa and French river navigation, a vessel could go direct from Quebec to Thunder Bay on Lake Superior—a distance of (say) 1,225 miles. From Thunder Bay to the mouth of Fraser river is 1,979 miles, of which distance 1,468 miles may be traveled by water, leaving only 511 of land travel.

Some years ago Mr. W. J. Paterson, secretary of the Montreal Board of Trade, made the following calculation of the time it would take to cross from Fort William, at the head of Lake Superior, (with good roads and steamers on the navigable stretches) to the Pacific ocean:

Miles.	Days.	Hrs.	Min.
1,468 by water at 10 per hour	6	2	48
511 by land at 5 per hour.	4	6	12
13 transshipments	1		
each would take.....	0	13	00
1,979 miles would take	10	21	00

By means of railway instead of a wagon road over the land portion of this route we do not doubt that the time from Fort William to the Pacific could have been reduced to eight days. But the route would have been useless in winter, and would not answer for the traffic which we hope to see spring up between Manitoba and the rest of the Dominion, let alone attracting a part of the carrying trade of the east.

To passengers and cargoes from China, Japan, &c., the Canadian Pacific railway when it is constructed, will offer the shortest and cheapest route to Great Britain, France and other Continental countries. We have already seen that it will be fully 500 miles shorter than the American line, and this fact, combined with others, we are about to mention, must give it the superiority in cheapness. First, the passes in the Rocky Mountains are 1,100 feet lower than the summit level of the U. S. Pacific railroad; 2nd, the snow fall at the mountains is comparatively light, whilst the American line has to be protected from the snow by about 20 miles of sheds; 3rd, the cost of living and wages is cheaper in Canada; and 4th, we have abundance of cheap coal both in the Red River country and on the Pacific coast. The American steamship line now trading between San Francisco and the coast, have to run all the way to Nanaimo, in British Columbia, for the coal they require on the voyage. A Canadian line from British Columbia, on the other hand, would have plenty of cheap coal on the spot. This important advantage, with the others already mentioned, must enable us to offer greater inducements to any Oriental traffic which may cross this continent, than can be profitably offered by American lines. If it could be fairly demonstrated that any large portion of eastern trade would