

In the above table the figures for the half-year to June 30, 1906, have, of course, been estimated, and a slight difference in the ratio of working would make a material difference. Judging, however, from the revenue statement for the five months to May 31, the ratio of working expenses should come out much the same as for the corresponding period of 1905. Owing to the recent new issues of guaranteed stock the amount required to pay the dividend on this stock for the half-year will be about £25,000 more, but notwithstanding this circumstance the increase in the net earnings should, so far as can be estimated from the figures published, suffice to pay a dividend of nearly 1 p.c. for the half-year on the third preference stock. In the above estimates it has been assumed that the Detroit Company will not make any call upon the Grand Trunk Company, while allowance has been made for the fact that the net results of the working of the Canada Atlantic for the first five months of the year showed a decrease of £15,600.

A good deal of disappointment has been evinced in certain quarters with regard to the company's policy as to betterments. The last report stated that the company had discharged all its liabilities in respect of special expenditure upon bridges, and the directors proposed to apply the same principle of special contributions out of revenue to the renewal of locomotives. At the half-yearly meeting held on April 6, the chairman stated that the directors proposed to build immediately or purchase 150 new locomotives, spreading the charge for them over a period of five years, and at the same time to charge as what he should call normal expenditure the cost of an annual addition of 30 locomotives, representing a total expenditure of £900,000, or £180,000 a year. As, however, the company has been renewing to the extent of £100,000 a year, the increased charge will amount to £80,000 a year. The chairman also indicated that further heavy expenditure would have to be incurred with regard to freight equipment. This matter, however, does not immediately press, because arrangements have been made for the supply of 12,000 cars for the Grand Trunk Pacific Railway, and, pending the completion and development of the new line, the Grand Trunk Company will have the use of these cars as they are delivered, paying a mileage on them which will be credited to the Grand Trunk Pacific. Other improvements and extensions are under consideration, but altogether it is pretty clear that shareholders need not look for any great reduction in the ratio of working expenses in the immediate future.

Good progress is being made with the Grand Trunk Pacific line. Contracts have been let altogether for the construction of 932 miles. On the Prairie section 732 miles have been let out to con-

tract; and a contract has also been let for the construction of the roadway of the Lake Superior branch from Fort William to the point of junction with the main line. The Government have invited tenders for the construction of the road to Winnipeg, and for the line westward of Quebec. The directors have every confidence that the whole of the road from Edmonton to Lake Superior, and including the Government portion of 245 miles east of Winnipeg will be completed by the autumn of 1907.

On the whole, we think, shareholders have every reason to be satisfied with the progress of the company. The board are pursuing a sound policy in making liberal provision for maintenance and improvements out of revenue, and a policy which is conceived in the best permanent interests of the company. Notwithstanding the heavy sums which have been charged to revenue in respect of these items during the past four years, the capital account has been considerably increased. And very shortly the Grand Trunk Company will be under liability to make up the amounts, if any, required to meet the interest on the bonds of the Grand Trunk Pacific Line. The success which has attended the Canadian Pacific Company, however, seems to point to the conclusion that Grand Trunk shareholders need have little apprehension as to the ultimate financial success of the new transcontinental line.

The foregoing comments on the Grand Trunk are a portion of the "Economist's" review of the half-yearly statement. This very ably conducted and influential paper is usually somewhat pessimistic as regards Canada and its affairs, so it is quite refreshing to read as hopeful an account of the G. T. R.

THE GAMBLING EVIL AND ITS DANGERS.

The habit of risking money on races, on athletic contests, on cards, on games of chance, is one of the most dangerously demoralizing which a young man can acquire. There is too much reason to fear that this evil is growing, more especially in large cities where provision is made for the indulgence in gambling in its various forms.

Although the authorities show commendable zeal in suppressing establishments where gamblers congregate under conditions that are fascinating to the frequenters, the fascinations presented being a source of the greatest danger to young men, these resorts are most difficult to eradicate. The police raid a gambling salon one night, the keepers and frequenters are fined, yet the law breakers assemble the next night in another place, where the games and betting are continued. There is a certain amount of sympathy with the dissipations of gamblers in places where a display of this feeling is most deplorable, as was evident when objections