

to this day. Amongst the latest developments of it we had an announcement the other day that the Grangers of California had resolved not to sell their wheat at less than \$1.20 per bushel, or thereabouts, imagining, no doubt, that they held so much of the world's supply in their hands that they could dictate terms to buyers in Europe. The whole system of "corners" is based on the same mischievous practice, and so was the "oil monopoly" which so long controlled the business of Petrolia and the oil region of Western Ontario.

One of the heaviest of these American combinations for obtaining artificial prices has just broken down. The great coal interest has been a kind of close corporation for years. In the hands of a comparatively few rich and powerful companies, the trade has been kept up to an artificial line of high prices, while everything else was tending downwards. Since the panic of 1873, there has been a gradual "bearing down" in the price of everything in general. Lumber, iron, woollens, cottons, real estate, and numbers of other things dependent on them have gradually receded from the figures prevalent years ago. Wages have fallen seriously, an attempt of coal miners some time ago to strike for higher figures having absolutely failed. In spite, however, of all this, the coal interest managed to hold together, and to extort higher prices for the article than the cost of manufacture warranted. Holders of coal companies' stocks of course, were well pleased with this state of things, and did what in them lay to keep up the monopoly, hoping, no doubt, that a turn in affairs would come which would relieve the companies from the necessity of reduction. The longest lane, however, "comes to a turning" at last, and the effort to keep up coal to an artificial price while everything else is on the descending scale, has completely broken down.

Now, let us mark the consequence. As surely as the swing of the pendulum in one direction is followed by its alternate in another, so surely are the illegitimate profits produced by combination succeeded by a steady series of losses. The law of average prevails above all the schemes of monopolists. After the exceptional profits realized by our own oil operations during the days of combination, there came a period in which the business was not worth following. The "corner" by which grain is kept to an unnatural price is followed by a tremendous collapse. And it is not alone the value of the article that is affected. The value of all the property concerned in producing it is affected too. Real estate, plant, machinery, buildings, mines,

wages, all share in the same depression. If the business is carried on by corporations, then their stock falls heavily in the market. This is precisely what has taken place in this collapse of the coal combination. The price of coal has dropped nearly forty per cent., and at this price there is, probably, no profit in producing it. And it is possible that this state of things will continue as long as the combination continued. It may drag on year after year, just as iron and lumber are doing now. And already, coal property has suffered an immense reduction. Coal stocks have fallen as much as coal itself, if not more. And here it is that the evil of monopolies and unfair profits becomes apparent. Persons buy stocks at the price to which these abnormal profits drive them. The sellers are rarely permanently benefitted for such unreasonable profits almost invariably lead to personal and family extravagance. But the buyers are deeply injured by the collapse. Many of them have bought at a price which makes the investment yield only a moderate interest, and can ill afford the loss of such a heavy downfall. They depend too on their dividends for the income necessary to support their families. The loss or diminution of this is a very serious business to them indeed.

The result of this collapse, however, must be beneficial to other interests. Coal is power. It is the most essential of all raw materials in many forms of industry. Cheaper coal means a possibility of making profit in the iron trade, so long depressed. It means cheaper gas and cheaper machinery. It may set in motion many industries that have been in a state of collapse for a considerable time. It will be a great boon to householders and families in these times of diminished incomes and economy. And we in Canada cannot but be benefitted by it in every way.

Gas companies, especially, may fairly be called on to adjust their rates to the altered price of coal, and as that of Toronto calls itself a "consumers" company we trust the consumers of the city will not be long before they hear of a reduction; and consumers everywhere ought to hear of it.

THE PRICE OF GAS.—Our citizens and gas consumers in our cities and towns have a direct interest in the settlement of the contest which is now going on between the council and the gas companies of Chicago. The necessity of economy and retrenchment being strongly impressed upon the council, by the state of the civic finances and their inability for weeks together to borrow \$1,000,000 for city im-

provements, they asked the companies to reduce the price of gas at least one dollar on each thousand feet. Such a request was reasonable. The value of property, plant, machinery, has fallen. The necessities of life are greatly reduced from the prices of former years. Labour is cheaper and the cost of production is cheaper. The cost of living is not so high. But in the face of all depression and bearing down year after year, the price of gas was unaffected. And the companies refused to grant the concession which the ratepayers asked through their representatives. It has now been determined that unless the companies accede to the wishes of the public, the streets will be lighted with oil. The public expenditure for gas amounts to \$700,000 per annum, while in the opinion of judges it should not exceed \$250,000. It is thought the cost of lighting with oil will not be in excess of \$175,000; and offers have been made to do it for that sum. All this is significant to the ratepayers of Toronto. The recent decline in the price of coal shows in striking contrast the high price of gas and the general reaction in prices in every branch of trade. The rates, we think, should be lower. Gas can certainly be produced cheaper now than some weeks back. As the cost of producing declines the profits are greater. But these profits are made out of the public, and at a time when every one is trying to economize. It is just to expect that a reduction in the cost of making will be followed by a reduction of the price to the consumer.

THE MARITIME BANK.—Full reports of the proceedings of the meeting of this bank are now received, and only increase our astonishment that such gentlemen as those composing the Montreal deputation should not have been more sure of their ground before taking such strong action as they did. Sir Francis Hincks has written to the *Montreal Gazette* explaining his position, and asks that his letter may receive insertion in the journals that have noticed the proceedings of the meeting. We shall willingly accede to this request in our next issue, and as the matter is one of public importance, and this is the first instance in which the power to call a special general meeting has been exercised under the present Banking Act, we shall then take the opportunity of discussing the whole question.

—The New Brunswick bondholders in the E. and N. A. Railway have by means of an injunction, prevented the cars and engines on the N. B. side from crossing into Maine. Ticket sales have been stopped, and the fares are collected in the cars.