

The contract made by the Toronto Railway Company to buy Niagara power, understood to be at \$35 per horse-power per annum, is one of the principal incitements and justifications of the legislation of last spring. As against the shareholders in the Toronto Railway Company who have no interest in the Electrical Development Company, of Ontario and its subsidiaries, that contract is popularly believed to be extortionate. All the terms of the contract have not been disclosed. When the Electrical Development Company was seeking capital in England last winter, it referred to the contract; gave its expected effect, as far as the earnings of the Electrical Company were concerned, but did not state the amount of horse-power contracted for, nor indicate that any protection had been taken by the Toronto Railway Company against the possibility of rates being materially reduced to other consumers, by competition. It is incredible that the Toronto Railway Company can have bound itself to pay \$35 for the remaining life of its franchise without any condition contingent upon what may be called the market price for Niagara electricity, when the market for it has been in existence a few years. There was always the possibility that the devotees of municipal ownership would hustle the Government into some kind of expropriatory legislation.

So long as the Electrical Development Company and the Toronto Railway Company say nothing about the present situation, it will not be possible to judge surely of the extent to which the popular understanding of the contracts entered into is well founded. Thorough knowledge of the contract is essential to the full understanding of the Toronto situation. Disclosure of its terms apparently could not hurt anybody.

The other factor in the case is more elusive than the Toronto Railway contract. You can reckon with tolerable exactitude upon the constancy and efficiency of a commercial corporation; but you cannot judge confidently the course of a congeries of municipalities, who have little in common except a desire to get a great amount of beneficence at a very small expenditure. The proposition of a civic combine to handle electricity is beyond the depth of the average town councillor. Effective amalgamations can only come about through the force of some all-compelling mind. All-compelling minds are not wont to exercise their ability in such an organization as that which has born at Galt a few days ago.

Here lies the danger of the municipal electricity situation and possibly the safety of the companies. Mr. Smith said to the Galt conferees:—"You have not faced the fact that the cost of power depends on all the cities mentioned in the report." The scheme fathered by the Government is more likely to founder upon the quicksand of commercial administration than upon any transient condition exhibiting itself through a contract between an electrical development company and a railway company.

The Hydro-Electric Commission, made certain allowances for emergencies; but, according to its chief executive officer, it counted upon the maximum of co-operation between the municipalities; and upon the quick displacement of steam plants by electrical motors in all kinds of factories, in all kinds of municipalities. So far, there is no sign that the municipalities concerned can produce the right kind of leadership that is required. They seem to be a mass of incertitude, hoping for power, but not powerful to handle it.

The whole problem is still in a state of flux. Happy is he who does not stake his reputation upon either solution of it.

BRITISH COLUMBIA HINDOOS.

There are possibilities of an economic crisis in British Columbia in the advent of the persevering Hindoo to that Province. He is already working in the up-country mills, and for September, a consider-

able influx of him is prophesied by Dr. Davichand, who has come to Vancouver as a sort of philanthropic emigration agent for his fellow countrymen, and announces that he is negotiating with parties in India with a view to drawing the attention of that country to the "grand opportunities which await the sober and industrious Hindoo in British Columbia."

This unlooked-for development of Imperialism is one of the fruits of the \$500 poll-tax on immigrant Chinamen. Discerning people on the Pacific Coast are wondering whether their fellow subjects of the British Crown will presently become more troublesome than the Chinese were, and whether it would not have been better to endure the evil they had, than to risk another which may be more difficult to deal with. They are afraid that it will be impossible to legislate against the incursion of the turbaned subjects of the King—as to which they are unmindful of the vigorous example of Australia, and of the recent action at Ottawa against the admission of undesirables from the Mother Country.

Anyway, here are the beginnings of a situation which seems bound to increase in interest and difficulty as the months go by. The Chinese headtax practically stopped the immigration of coolie labor. This was comforting to the white toiler of the West, but increased the inconvenience of those who are so unfortunate as to depend upon others for the smooth and efficient performance of household and other duties. Many long-suffering people who used to get excellent Chinamen for \$20 or \$25 a month, cannot obtain equal assistance now for less than \$35; and they are in weekly dread of an increase in the cost of service.

There has been a similar rise in the cost of Chinese labor on farms, on ranches, and in mills, until only those who are in unusually agreeable circumstances, can afford the luxury of celestial assistance. They are the section of the people who believe in placing no handicap on the Chinaman in his competition against the more exacting white.

But the demand of labor for restriction is clamant. It has a national policy of its own on the Pacific Coast, and if the Hindoo increases as rapidly as the Chinaman did, a demand will be raised for his exclusion, regardless of his interests in the diadem of the King. The Premier of Saskatchewan is in favor of Asiatic immigration to work for the rapid upbuilding of the prairie country! He thinks the coolie will do such work as the Canadian gladly leaves alone; and the supply and demand will strike a working money-making balance. He is on perilous ground for a politician.

Of course, the situation is not likely to be acute for some time to come. It is as well to be ready for it when it does come, and to recognize primarily that it is a question which British Columbia and other provinces chiefly concerned, will settle for themselves.

Two precedents will be more or less illuminating when the situation ripens for treatment—the precedents of Natal and Australia. More than a generation ago, when the cultivation of sugar, tea, and pineapples was begun in Natal, Indian coolies were imported because of their superiority over the blacks; and of the physical inability of the white man to work steadily under a semi-tropical sun. They were indentured for a term of years, with the understanding that they would be deported to the place from whence they came. They fulfilled their contracts; but they were not returned to Asia. To-day there are probably 60,000 Indians in the colony of Natal.

Their presence is a problem of increasing difficulty for the Government. Most people in that country wish they had never come. The Indians have almost monopolized the garden industry. You buy fruit from them as you travel by train. They keep store in the larger and smaller towns. They live on little, and, in competition with whites for the trade of the black population, they generally win hands down, on account of their low standard of living. They have overflowed