

and was also president of that institution. This is the first time a banker has been nominated for president of the Board of Trade in this city. A better nomination could not be made, for Mr. Mathewson's intimate connection with trade matters, gives him information which is not generally obtainable. It is understood he will be elected by acclamation, and we are sure he will fill the position with honour and dignity.

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THE MONTREAL GAS & LIGHT PROBLEM.—This important question has been discussed in these columns from time to time. It is the chief topic at present for discussion by the public. We fear the matter has not been approached in as serious a manner as is desirable, either in the City Council or outside. Considerable "bluff" on both sides has been indulged in, and little light has been thrown upon its true solution so far. The citizens are naturally entitled to have their gas and light on reasonable terms. It is in the interests of the shareholders of the supply company to have its rates placed on a fair business basis. It is not, however, in the interests of the citizens that the city should embark in the manufacture and distribution of gas. It has been estimated that a new plant would cost over \$5,000,000, and it has been suggested that power be acquired for borrowing the necessary funds, which need not be used except considered advisable. This has some resemblance to a Mark Twain joke. Imagine a majority of the City Council having the opportunity of expending \$5,000,000 and not taking advantage of it with alacrity! We venture to say that not many days would elapse after such power was acquired until all machinery of spending \$5,000,000 would be put in motion. It must be remembered that the present Gas Company has a permanent right, which cannot be taken away by the City Council, to supply the citizens with gas. As to the city constructing works with a view of getting capitalists to take it over, very few capitalists could be found to risk their money in such an enterprise in view of the competition, or if they did invest, the result would be a combination, and the citizens would be in a worse plight than at present. Few seriously consider that the Montreal Corporation could run a gas plant with advantage. It is also well to bear in mind that capitalists would not expend millions of money in building gas works and an electric plant or street railways except reasonable franchises and privileges are given them. They are entitled to such consideration. Progress would be retarded by Montreal or any other city depending upon a corporation undertaking works of this class. An important question is what the city should derive in return for the valuable privileges it grants, for it is entitled to consideration for such concessions. We believe the most feasible solution of the gas and electric light problem in this city,

would be on the following lines: The city to give an extended franchise for a reasonable term of years for both gas and electricity on condition it is given a certain proportion of the annual net earnings of the company. For instance: After the company pays its fixed charges and a dividend of say 5 p.c. to its shareholders, let it pay a liberal percentage of its profits over and above these payments, to the city. If it earned 10 p.c. over fixed charges, the city would be entitled to a liberal percentage of the remaining 5 p.c. The city could then apply its proportion of profits to reducing the cost of light or the money could be applied as a contribution to the general revenue and thus lighten civic taxation. Whether the company considered it advisable to pay a dividend to its shareholders or not, it should be clearly understood that the city would be entitled to its proportion of net earnings. An arrangement should be made by the company to give the city a representative on the Board of Directors, and for the city to invest say \$50,000 in shares of the company, so as to give it a substantial interest in the enterprise. An arrangement based on the above lines would, we submit, serve the best interests of both the city and the company, for it would make the shares more valuable on the one hand, and the city on the other hand would receive a proportion of profits. Our civic fathers must not lose sight of the fact that it would not be a proper solution of the light question if the gas question alone were settled without an arrangement in respect to electric light and power as well. The number of gas consumers is comparatively quite limited. We believe that if the present City Council make an earnest proposal to the Light Company on the above or similar lines the Montreal Light problem can be promptly solved. Try it.

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THE RT. HON. MR. CHAMBERLAIN ON COLONIAL TRADE.—In an address at Birmingham, Mr. Chamberlain took the ground, that the British Colonies were gradually enlarging their trade with Great Britain so far as to take the place of protected countries whose trade was decreasing. The point is an important one—if it is supported by the facts.

He was on firmer ground when he declared:

The colonists are our best friends. When in the midst of a great war which made a great call, the colonies responded magnificently, but at that time Great Britain had not a friend in the world except the colonies. They are self-governing nations and are our equals in everything except population and wealth, and very quickly you will find that they equal and perhaps surpass us in these respects."

The Chamberlain programme includes duties on luxuries and on foreign manufactures, no duty on raw materials, but a discriminating duty on foreign wheat from which Colonial would be exempt.