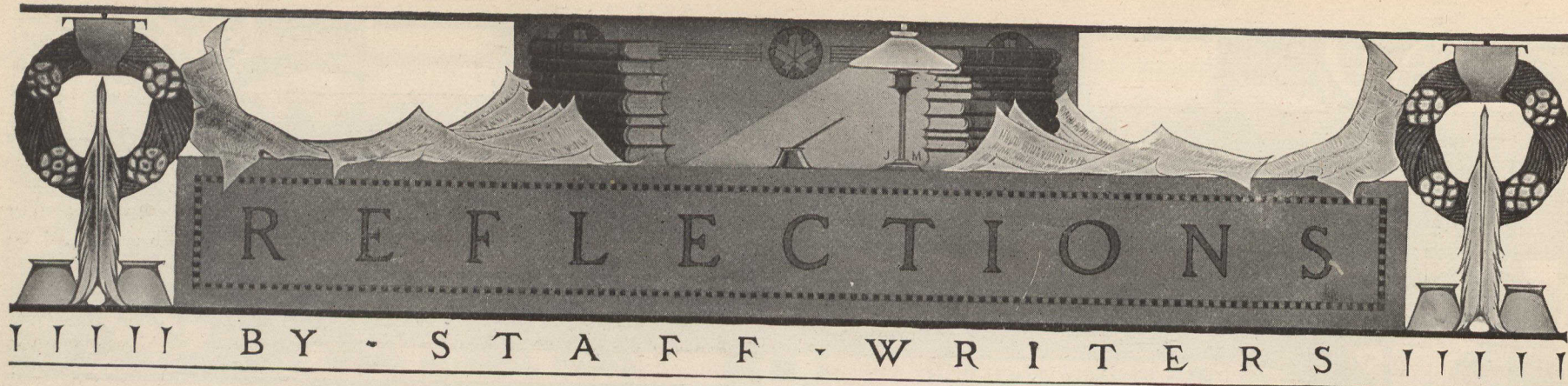




THAT C. P. R. STOCK

WHEN the Canadian Pacific Railway begins to pay a dividend of ten per cent. on its stock, its freight and passenger rates are to be brought under the control of the Government, that is of the Railway Commission. It will then cease to be in a class by itself, and will be classed with the Canadian Northern and Grand Trunk. Will any wise man hazard a guess as to when this great event will happen? If he desires a precedent to reason from, let him read the history of the Boston and Albany Railway, which has a similar clause in its Massachusetts charter.

In issuing this \$50,000,000 of new stock, the C. P. R. can materially affect the rate of future dividends. If this stock is sold at par, the future dividend rate will be less than if the stock were sold at 150. In other words, if this stock is sold for fifty million dollars, the company cannot pay as high dividends as if it were sold at seventy-five million dollars. By selling the stock at par, the "watering" process which has made the C.P.R. capitalisation a high one will be continued.

In Massachusetts there is a general law that all issues of new stock by railway companies must be offered to the present shareholders by auction at not less than par. If this rule were in force in Canada, and if this new stock were offered by auction to the present shareholders of the C. P. R., it is quite probable that the average price realised would be 150. The old stock is now selling at 175. Indeed, the new stock, if offered in small lots with payments well spread out, might bring even an average of 160. What the present shareholders do not take could then be offered at auction to the general public and there is no doubt that much of it would be taken at 150 or over. Of course, the auction would necessarily take place in Montreal, Toronto, New York, London, Paris and Berlin.

The *Ottawa Journal* in discussing this question says: "By giving profits to its shareholders in the shape of such stock bonuses instead of dividends, the company has been disguising its rate of profit. It has been unfairly inflating its capital and choking down the rate of dividend which it could fairly pay, and in doing so it has been cheating the country." No doubt the *Journal* believes, as does the "Canadian Courier," that the C. P. R. is not the only corporation in Canada which has followed this practice. There is no other corporation, however, in such an excellent position to set smaller financiers a good example.

BRIBING CONSTITUENCIES

ALL credit to the *Toronto Star* for its outspoken statement that newspapers and members of Parliament who endeavour to influence constituencies with a promise of public expenditures, should be punished. If this sentiment had been embodied in a law last session, and if all the Liberal newspapers had followed the same course as they have followed recently, most of the Liberal editors of Canada would now be in jail. Two-thirds of them ought to be fined at least. It is simply foolish and inconsistent to fine a man \$100 for giving a voter five dollars for his promise to vote a certain way, and allow a man to go unpunished for offering \$10,000 to a constituency if it votes correctly.

Last week, the words of Mr. Robert Holmes, ex-M.P., and editor of the *Clinton New Era*, were quoted. Mr. Holmes comes very close to attempted "bribery" of West Huron, with the Militia Department an accessory before the fact. The editor of the *Acadian Recorder* also comes just as close to it when he says of Halifax's action in electing two Tories: "The constituency, of course, by this action forfeited its right to any special consideration by the Government, for it has voted against the plans and propositions formulated by that Government for the great development of our shipping and railway traffic. The benefactor has received a slap in the face from the object of its benefactions." There are other Liberal editors who are equally

guilty of this kind of conduct. There should be a law by which such men could be fined and jailed.

When Sir James Whitney was campaigning in the Ontario general election campaign, he distinctly said in Hamilton and elsewhere that he did not desire any constituency to be influenced by Government expenditures. He stated that no constituency would be discriminated against because it elected a member of the Opposition. Sir James may be an autocrat, but he certainly has that fine sense of honour which seems to have been lost by the men who occupy the editorial chairs of the Liberal press.

Liberals may bring out the "tu quoque" argument, but that argument is one which only partisans will use or accept. It matters not what the Tories are doing or have done; this is a question of public morality and decency.

WHO ARE THE CANADIANS?

A CORRESPONDENT raises a nice point in connection with the "Courier's" voting competition to discover the names of the ten men who are regarded as the "big men" of Canada. He states his belief that a Canadian who has left his country and gone to Great Britain, the United States or elsewhere to reside, can no longer be regarded as a Canadian in the fullest sense of that term. He would therefore exclude from the voting, such names as those of Sir Gilbert Parker, Professor Charles G. D. Roberts, Sir Percy Girouard, Dr. Parkin and Professor William Osler.

There is force in this gentleman's objection. To include Sir William Van Horne among the great men of the United States would be on all fours with claiming Dr. Osler or Simon Newcombe as a great Canadian. Yet if the people of the United States were to claim Sir William Van Horne as a great United-Stateser we should feel rather offended. Again, Mr. J. J. Hill is reckoned one of the great men of the United States, therefore it would seem quite impossible to claim him as a great Canadian. A man like Mr. Hill may be great and he may be a Canadian, but can he be a "great Canadian" and a "great United-Stateser" at the same time?

Nevertheless, is it not well that we should keep in our mind and favour, the youths who have gone out from our country and made a niche for themselves in some other nation's Hall of Fame? So long as they are alive there is a possibility that they may return. Mr. Andrew Carnegie went back to Scotland, and is he not now a great Scotchman?

The question is so difficult of decision, that no one on the staff of this great family journal feels sufficiently sure of his ground to express a definite opinion. Perhaps some wise reader will assist us in coming to a solution of the conundrum, "When is a Canadian not a Canadian?" Professors of international law will please not accept the invitation.

MINES AND FARM LAND

A GREAT number of people are busy just now, buying and selling Cobalt stocks. About ten per cent. of these people will make a profit and about ninety per cent. will make a loss. Those who will make a profit are the "insiders" who know exactly when to sell. They are members of pools, formed for the purpose of putting certain stocks up to certain levels so as to make a "market" for them. They are brokers and speculators who know all the inner workings of a very devious game. Those who will lose are the "public"—the great body of men who get "tips" and who stake their savings on the advice they get from some person else, who also got it from some other person. These men will wake up some fine morning to find their stock is unsalable except at a loss.

There are good mines in Cobalt and some of the stocks are an excellent investment. For the six that are good, there are twelve