

scale — will not hold. The purchaser of goods is not obliged to go to any particular store ; but the shipper of goods often has no choice—is obliged to resort to a particular railway. In railway matters, laws are required for the protection of the weak, even more than the strong. A railway company may inconvenience a strong man ; it may crush a weak one.

The New England cotton manufacturers are calling for discriminating rates in their favor, similar to those enjoyed by the Greenock sugar refiners, as a means of saving them from annihilation by their own off-spring and rivals, in the south. Under present conditions, it is doubtful whether the eastern factories can long send their products as far as Cincinnati, so great are the advantages which the southern cotton mills possess over them. If the New England factories were crushed out, could those of the south greatly raise prices to the consumer? That would of course depend upon the rate of the import duty on cottons. How is the question raised by the New England cotton manufacturers to be settled, "in the public interest?" How is the true public—not the railway or cotton—interest to be ascertained?

Mr. McCarthy does not propose that this Bill shall apply "to rates or tolls for through rates extending beyond the Dominion of Canada." And if such an intention did exist, it could not be enforced. Our legislature has no authority beyond the limits of the country. In the United States, where there are different local traffic laws in contiguous states, the difficulty of applying a *pro rata* tariff of freight is almost insuperable. The words "through rates extending beyond the limits of Canada" are somewhat ambiguous. Do they apply to the whole of the through rate or only to the part of it which accrues for service beyond the limits of Canada? It is important that there should be no doubt on this point ; but as the words stand, we cannot say there is none.

Perhaps there is no country in the world, assuredly there is none in America, so deeply interested as Canada is in calling to its aid discrimination to make freights for long distances low. This interest is measured by the distance of conveyance. Wheat shipped from Regina to Manchester passes by rail to the seaboard, across the Atlantic and by rail from Liverpool to Manchester. If the same rates of freight always continued to be paid on these several stretches of land and water that must be charged for local traffic for short distances, the remoteness of our North West territory from the ultimate market would tell heavily against it. And of return freight the same would be true. The competition which discrimination produces on through tariff such as this will, in future, tend to lessen the price of wheat in England and to increase it in the North West, while it will make cheaper the imported goods which have to be carried this long distance.

Some persons suppose that a country of small territorial extent like Great Britain is not troubled with discriminating through rates, beyond the limits of the country. But this is a mistake. Imports from foreign countries are often shipped at through rates to the place of final destination, and on British railways they pay less freight than

local traffic. This is true of hops from the continent, beef from America, and bales of dry goods from Manchester to Canada. It is true of Canadian wheat, Belgian wire, and pork sent from Chicago to Limerick. This discrimination the British House of Commons Committee defends, on the grounds that it enables the railways to compete with ocean traffic—coasting of course—and to make "fair arrangements for carrying large quantities at lower rates than small." The first reason given is valid ; the second ignores the fact that a railway has a semi-public character, and it cannot always be allowed to deal on the same terms as an individual trader. A railway corporation is the creature of the legislature, and in consideration of the privileges it obtains it must submit to the control of the legislature.

The clause of Mr. McCarthy's bill which interprets the Consolidated Railway Act to mean that different companies cannot make arrangements for the joint working of two lines, attempts to attain its object by a side-wind, the joint-working of lines may be good or bad, when looked at from a public point of view. The practical amalgamation of parallel lines would often, perhaps generally, be prejudicial to the public ; the joint-working of lines which are continuations of one another, and which together make a complete whole, would often be beneficial. Each case must be decided on its own merits ; and the legislative authority, which grants the franchises, is the proper judge.

The question has been raised, by the Corn Exchange whether a bill of this kind ought not to apply to Provincial railways ; and the decision was that, being limited in its purview, the bill ought to be rejected. This involves a question of jurisdiction, which we do not propose to argue. Unless the Dominion Parliament assesses control over local railways, it cannot exercise in respect of them the powers which the Corn Exchange calls upon it to exercise, or stay its hand altogether.

To the way in which this bill is brought forward, as well as to the powers it confers on the commissioners, there are very grave objections. If we are to have a railway commission, we ought to owe it to government initiative. And even then, we must have something substantial to go upon before anything can properly be done. So far, no parliamentary committee has examined the subject ; not a syllable of evidence has been taken. The experience of England leaves little doubt that a Railway Commission may be usefully employed in dealing with many matters, under the law. There the House of Commons Committee is so satisfied with the utility of the Commission as to recommend that it be made permanent and a court of record ; that its powers and jurisdiction be extended so as to include all questions arising under special acts or public statutes for regulating railway or canal traffic, affecting passengers or goods ; the making of orders which may necessitate the co-operation of one or more railway or canal companies, within the statutory obligations of the company ; to order through rates on the application of traders—no such order to impose upon a railway company a lower rate than the lowest rate of such railway company for similar services under similar circum-

stances ; the revision of traffic agreements with railway or canal companies, in as large a measure as formerly exercised by the Board of Trade ; the granting of damages and redress for illegal charges and undue preferences. These powers would all be exercised, in subordination to the law ; but under Mr. McCarthy's bill, it seems to us the commissioners would practically have power to bring into existence a very unique body of commission-made law. In its present shape, the bill will surely not be allowed to pass.

#### MR. BEATY'S DISTRIBUTION BILL.

The discussion that has arisen about the measure introduced by the member for West Toronto for the distribution of assets can scarcely fail of ultimate good if it have no other immediate effect than to turn attention pointedly to the subject. Intelligent discussion must in the end produce a beneficial effect. It is unfortunate that some acrimony should have been introduced into the correspondence between the Honorable member and the President of the Toronto Board of Trade. It is not our intention to refer in detail either to the particular points in disputed or to the tone of the correspondence. We propose confining ourselves for the present to observations of a more general kind. To us it appears that the Honorable member has good cause to complain, not only of the Toronto Board but of most of our other Boards, for the inertness which they have hitherto shown in this matter. We have had occasion more than once to reflect upon the unsatisfactory and desultory character of the treatment of this subject by not only the Boards of Trade, but by the wholesale community generally.

Mr. Darling's reply to Mr. Beaty's complaint that the subject was not sooner dealt with by the Board of Trade, partakes of the nature of special pleading. A bill similar to this was introduced last session. It was then really crowded out and not passed upon by the House. The general understanding was that it had been introduced more with the intention of inviting discussion and testing the feeling of the House and the country, than in the hope of its becoming law last session. Not only this, but the subject has been one of regular discussion in these columns and elsewhere ever since that time. The necessity of a proper enactment upon the subject is acknowledged by all, as has been again and again affirmed by the Boards of Trade themselves. Under these circumstances these bodies are without excuse in having allowed the matter to lie dormant until the beginning of another session. The absence from the country of the President of the Toronto Board, and the fact that it has seen fit to change its secretary since last session are quite apart from the points in discussion. It is the Board that assumes to deal with this question now. It is the same Board that ought to have dealt with it months ago. Under these circumstances the member for West Toronto, who, whatever the merits of his measure may be, is admittedly striving to serve the mercantile community, was probably entitled to more courtesy and consideration in the treatment of his bill