

poses to raise the capital. The least the projectors of the Credit Valley can do is to show where they expect to get the means of continuing the road to St. Thomas. This we should not regard as a guarantee, but it would look like a business procedure. If they cannot show that the quarter of a million they now ask would be all they would require from Toronto, any by-law for granting that amount would be voted on in the dark. The word of the average railway promoter, we are sorry to say, would not now-a-days be accepted by business men as a guarantee, but that does not justify silence on a point on which an explanation is necessary to the comprehension of the question.

If it be absolutely ascertained that all other financial resources are definitely cut off, it may be that the municipalities would make the best of a bad job by granting enough to complete a road on which the large amount already spent is at present absolutely sunk. It is all very well for the promoters to urge Toronto to lead off, on the plea of having a larger interest in the work, but where it is evident that several municipal bonuses will be required, if any are to be of use, why should there not be a pre-arrangement among the municipalities? And the company, admittedly in a desperate condition, should, if necessary, be willing to hand over the road to the contributory municipalities as a condition of the grants, and the only means of security of the least value, that could be offered.

THE INTERCOLONIAL—HALIFAX—AND THE MAILS.

The completion and opening of the Intercolonial Railway has awakened the enterprise of the merchants of Halifax, not only to have their city made a winter port for the reception and shipping of Canadian mails, but to begin to cultivate the grain and breadstuffs trade. These efforts are at once natural and laudable. Certainly, if the great Inter-provincial railway is to be of any service whatever to the Dominion, it ought to save us the necessity of bringing our British and European mails through the United States, and unless the winter snows and frosts are so severe as to greatly interfere with the working of the line, they can be brought by it considerably quicker than *via* Portland. The Dominion Government has decided that the experiment shall be made this winter of landing the mails at Halifax by the Canadian Steamship Company. The announcement has only recently been made, and the Messrs. Allan, of Montreal, notified to that effect; but there are reasons for believing that the

action now taken was practically decided upon some time ago. For several months past arrangements have been in progress to prevent the Intercolonial from being snowed up during the winter. In about two weeks, some ten miles of snow-sheds and nearly thirty of snow-fences will be completed; the cost of these and other arrangements for the winter traffic, including snow-ploughs, scrapers, &c., being over \$200,000. These improvements would have been ultimately needed in any event, but we fancy would not have been entered upon so extensively and thoroughly during the first winters' experience of the road but for the fact that the policy of landing the Canadian mails at Halifax had been decided upon, and that long delays at the start through snow-drifts on the Intercolonial might greatly injure the prospects of our route, as well as prove vexatious to the winter's business. There are some, whose opinions are entitled to weight, who think that the experiment of landing the mails at Halifax will not prove successful, and who hold that the present arrangements *via* Portland should have been continued until we had at least one season's experience of how the winter affects the Intercolonial traffic. We trust and believe these fears will prove groundless, and that the experience of the coming winter will fully demonstrate that hereafter our mails from Europe can be brought westward quicker through our own territory and by our own means of transportation, than by any other route. If such prove to be the case, everyone will then be agreed that one of our own cities like Halifax has more claims to any advantage arising from being made a winter port, than Portland or any other foreign city. We congratulate that city upon the fact that, during the coming winter, it will receive regular visits from the splendid vessels of the Canadian Steamship Company; and we shall be glad also if its merchants are able to make Halifax a port for the shipment of grain and breadstuffs to the European markets.

ADVANCING ON STOCKS.

The remarks made in our issue of last week as to the advisableness of legislative action respecting advances on bank stocks, are exciting considerable attention. We are glad this is the case. After the revelations of stock-jobbing and stock-gambling that have recently been made, and of which probably we have not heard the last, it is highly desirable that the subject should be thoroughly discussed. There are more issues involved in it than appear on the

surface. The integrity and *bona fides* of the lists of their stockholders put forth occasionally by the banks is one. Notwithstanding the fact of cliques of operators controlling large amounts of stocks, it is seldom that their names appear in the lists that are periodically published, except for very small amounts. But a curious inquirer will find in most of these lists the names of a large number of presidents and officers of banks as holding shares "in trust," and often for very large amounts. The trust is doubtless on behalf of the institutions they represent, which brings us to this singular position, that our banks in their corporate capacity are holding stock in one another to a very large amount. These shares are held as security for advances to stock operators, but the *holding* is a substantial fact for all that. The Bank of Montreal becomes a stockholder in the Bank of Commerce, and the Merchants' in the Consolidated, and the Ontario in the Bank of Toronto, and the Molsons in the Federal, and the Dominion in the Imperial, and so on through all the changes in the chapter. The whole represents what is little else than a mass of fictitious capital, kept constantly tossing about by operators and their friends, out of which they have been making their gains and losses, living all the while at the expense of the general public. For it need not be said that in carrying on this mass of operations—of fabulous amount in the course of a year—the operators do not render a dollar's worth of service to the community. They do not earn one single cent; yet they live, often enough, in luxurious style, and experience warrants us in saying as we do—at the expense of the public.

This is a state of things the Legislature never could have contemplated. Could what has transpired of late years have been foreseen, it is beyond question either that the power to lend on stocks would not have been granted at all, or that it would have been guarded by such restrictions as would have prevented its abuse. And the question now is, whether it would not be desirable for some amendments to the Act to be introduced. In this matter, of course, considerable care will be required. Hasty legislation would do great injury, as it would have the effect of throwing large masses of bank stocks on the market. It has been suggested that the operation of a restrictive clause might be made gradual, so that the power to lend on stocks would be extinguished almost imperceptibly. The object would be to avoid disturbance, and allow time for stocks to be absorbed by *bona fide* investors. There are various ways of accomplishing this, if the general principle be agreed to. On the whole, the best plan