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DEVELOPMENT VS. PLUNDER.

The policy of the Whitney Government in administering Northern Ontario for the revenue that could be got out of it was a very popular theme of Conservative orators and journals in the West a couple of years ago—much more popular than it is likely to be again. That policy we were then assured was the unquestionable proof of towering statesmanship, the highest testimony a provincial premier could give of his genius for government. Graphic pictures were drawn of the overflowing coffers of Ontario; statistics by the yard were produced to demonstrate how many shekels had been extracted from the sale and rental of the natural resources of the northern unsettled districts; and praise without measure was heaped upon the Whitney Government because, after maligning the Ross Government for years for squandering the public domain, they signalized their own entrance to power by a slaughter of resources that dwarfed all precedents to insignificance.

In contrast to this gratifying conditions of things, we were invited to look with disgust on our own unhappy plight. Ontario administered its public domain and made millions of revenue from it. No such golden opportunity should be ours. The Federal Government like an unfaithful guardian had "robbed us of our birthright" in withholding our public domain from provincial control. All we had left were our splendid prospects and our mountain scenery, and Saskatchewan lacked the latter. Whereat Mr. Bennett, with "bowed head" and downcast mien, made mournful pilgrimages through the pillaged land, warning an enslaved and spiritless people that he was their sole surviving hope of salvation, and that if they did not rise to his support, he too would flicker out at the first election. Prophetic Richard! About everything from the Bible to the British North America Act was called upon for allusions and illusions as to the fate of those who in the proper hour failed to assert their manhood and tamely submitted to the spoiler. Rot of this kind was ladled out by the barrel, the general purport being that if the new provinces permitted the Dominion to retain control of their public land, they could never aspire to the proud position and the brimming coffers of Ontario. Serfs and mendicants we would always be; perpetually impoverished and dependent for our pittance on the powers that be at Ottawa.

Let us see how this works out. If it were fair to compare the policies, it is also fair to compare the results of the policies. If the Whitney policy in Ontario was the standard by which the Federal policy in Alberta and Saskatchewan should be judged, it surely is fair to measure the results of the Whitney administration in Ontario by the standard of the results of Federal administration in Alberta and Saskatchewan.

The new provinces to-day are prosperous in every meaning of the word. Work is more plentiful than workers, wages are high and the prospect is bright. Development along every line goes on apace, the only deterrent being lack of laborers and lack of capital to undertake all that would be otherwise undertaken. The provincial governments with fixed, certain and liberal revenues carry on the work of road-making, bridge-building, telephone construction, while the Federal Government induces immigration, encourages railway construction, erects public buildings and extends the postal system. It is the business of both Federal and Provincial Governments to get people into the country, and to make their conditions of life as satisfactory as possible after they arrive. The people are contented, prosperous and satisfied, and will be pardoned if they smile as they recall the dark prophecies of the Conservative gentlemen two or three years ago.

Things are different in Northern Ontario. There the people who have gone into the country are getting out in scores, and those who are not leaving are threatening to secede from the Province. Why is this? The fault is not in the country. Its resources are unquestioned. If they were not unquestioned, the secessionists would move out. The settlers want to stay there, but they declare the present conditions of life to be intolerable and do not see any hope of amendment. The country is being despoiled of its timber; its mines are being worked, and from these large revenues are derived by the Ontario Government. But there the activity of the Government ends. The north country is administered for revenue, and when it produces the revenue, the Government's interest in it ceases. Roads are practically unknown, colonization effort is unknown, schools are few and difficult to maintain owing to the scarcity of settlement. In the midst of a nation marvellously prosperous and possessing a region marvellously wealthy in resources the people of Northern Ontario are seething with discontent and dissatisfaction.

These conditions simply illustrate the difference between a country that is administered for the purpose of developing it, and a country that is administered for the purpose of producing revenue. Alberta and Saskatchewan are administered for the purpose of development; Northern Ontario is administered simply as a region from which to extract revenue. The Federal Government does not rely for revenue on exacting toll from the pioneers of Alberta and Saskatchewan; the Ontario Government gets its revenue simply by placing a penalty on the settler of Northern Ontario. The pioneer in Alberta and Saskatchewan has to bear the burdens of making his way in a new country under conditions made as easy as possible by governmental assistance and co-operation; the pioneer in Northern Ontario has to bear his burdens without any such assistance or co-operation, and finds little consolation in the fact that while he struggles unaided against these overwhelming odds, his district is being despoiled of its wealth for the benefit of the settled portion of the province. The more Alberta and Saskatchewan are developed the better for the settler; the more Northern Ontario is exploited, the worse the condition of the pioneer present and future. The greater the population of Alberta and Saskatchewan the larger the revenues of both Federal and Provincial Governments, and that without adding a cent to the settler's burden; the more the settlers in Northern Ontario the smaller the area left for plunder by the Provincial Government and the nearer the day when some other means must be adopted for securing funds.

Premier Whitney may thank his stars Northern Ontario is not Alberta. If the people of this province had been subjected to the treatment of the pioneers in those districts "secession" wouldn't begin to describe their actions. Yet this was the trap our Conservative friends, Federal and Provincial, tried to lead us into.

THE RIGHT KIND OF FAILURE.

A special Yorkton despatch to the Winnipeg Telegram describes a crowd of four hundred home-seekers struggling for first place in the line to make entry for land in the newly-opened area. The despatch concludes: "To-day's proceedings show what a miserable failure the Government's method of throwing open the Doukhobor reserves has been." The conclusion is certainly curious. That four hundred people tried for eighty-four homesteads is pretty good proof both that the homesteads were in demand and that the chance of securing one was open to whoever chose to try. These may be the essentials of a "miserable failure" from the Telegram's point of view, but they are the conditions which are making the west.

WOUNDED FEELINGS.

The West may usually be relied on to add a relish of novelty to a ceremonious function. Prince Fushimi came on an errand of peace, but he has left an aftermath of wounded feelings rankling in aldermanic breasts in at least two western cities. The fault, however, appears to have been not with the Prince himself, but with the jealously exclusive reception committees who determined his doings and guarded him, all too well it would seem from the presumptuously curious. Winnipeg arranged a public reception, but as only the three aldermen on the committee were invited to dine with him at Government House the other members of the council cut out the show and went to a ball game. This is attributed to the "sour grapes" temperament, but it may have been merely an indication of aldermanic preference. Calgary's reception seems to have consisted of a drive around town with a Mounted Police escort to keep off the aldermen and real estate agents. An Albertan reporter managed to steal aboard the Royal train but was ejected at Banff. Reception committees appear to somewhat resemble the "ministers" of Henry VIII. in their facility of interposing between royalty and democracy.

THE PERVERSION OF THE UNION TRUST.

What were the circumstances surrounding the formation of the Union Trust Co., and which determined its character? What was the original conception of the plan, how was this altered in the making and what then was the nature of the enterprise.

In his evidence before the Royal Commission the late Supreme Chief Ranger of the I. O. F. outlined the beginnings of the scheme. He said: "It had been represented to me by leading members all over the country that they regarded the order as perfect, and the only danger was in the future, with another executive that there might be less forethought or care exercised in our investments of the property of the Order, in other words, that the only point that they saw in which the order might be considered to be weak was in the investment of its properties, not during our administration, as they said to us, but at some future time." Later on Dr. Oronhyatehka said: "After consideration I thought our strength would be greatly increased if we got some men of standing in the community to practically invest for us, of course reserving such representation in whatever company might be formed to do this work for us, and the executive, as would assure the safety of the investments made, and the more I thought of it the more enthusiastic I became."

How was this investing agency of "men of standing," who would exercise "forethought" and "care" in the investment of the Foresters' funds to be secured. In January, 1900, the executive council of the order resolved: "That we purchase a controlling interest in the Provincial Trust Corporation of Ontario by the purchase of its stock from time to time, as we can secure the same with the view of obtaining said control at the earliest possible date." The Provincial Trust Corporation had a paid-up capital of $113,700 and assets amounting to only 65 per cent. of this. The concern was in an unfortunate financial condition and had previously applied to the Foresters for relief. The assumption was fair, therefore, that a controlling interest in the concern could be secured for a very reasonable price. This, then was the purpose of the Foresters' executive—to secure a careful and prudent agency for the investment of the funds of the Order, and to do so by buying only a controlling interest in a company whose paid up capital was only $113,700, and whose stock was probably available at about whatever they chose to offer. Considering the circumstances, $50,000 would have probably accomplished this purpose.

How did this work out? Mr. William Laidlaw, K.C., was engaged by the Supreme Chief Ranger to secure the necessary stock of the Provincial Trust, and the directors of the latter concern selected one of their number Mr. Matthew Wilson, K.C., to conduct the negotiations on their behalf. These two gentlemen appear to have entertained vaster ambitions for the Foresters than the Foresters entertained for themselves. They took the scheme under their nurturing care and it grew until its own parents might well be pardoned for not recognizing it. Under their guidance the original intention to purchase a "controlling interest" was expanded into a plan to secure the whole stock of the Provincial Trust. This accomplished, the plans were again extended, and a new company was to be erected in place of the old, with a capitalization of $1,000,000. And while the application for a charter was before the Government the stock was doubled and made $2,000,000. Nor were the public outside the Foresters permitted to secure stock. Aside from Judge McDougall, Mr. Foster, Mr. Wilson and Colonel Davidson, each of whom subscribed and paid for ten shares, and became a director, the entire stock was sold to the Independent Order of Foresters—and at a premium of $10 above par. Thus the $50,000 scheme contemplated by the Foresters' executive was developed into a concern which had $2,745,600 of the Foresters' money tied up in its capital stock alone.

Where was Mr. Foster while the Union Trust was undergoing this phenomenal growth, and what was his opinion of this scheme for getting control of the two and three quarter millions of the Foresters' money? It may have been purely a coincidence, but the views of that getlenman appear to have been in most remarkable accord with the expanding operations of Messrs. Laidlaw and Wilson, and more than this, he appears to have been keeping up an animated correspondence with the Supreme Chief Ranger, for the purpose of impressing those views upon him. For instance he says in one letter: "I have thought carefully over the matter from my own standpoint and from that of the company, and of the Order of which you are the head, and its large and steadily increasing financial interests, which necessitate great care and responsibility in the matter of investments. It seems to me that a trust company with a small paid-up capital and depending alone on the general field for its business, would require many years and much hard work to place itself in position to return any considerable profit to its shareholders. The field is not a wide one, and is already pretty well occupied by older and well established companies. . . . . To make our business foundation broad and firm, we should make sure of a generous paid-up capital, so as to give confidence to our patrons and provide a basis for operations on an active and enterprising scale."

In another communication to Dr. Oronhyatehka, Mr. Foster says: "Whilst in reality the Trust Company will be controlled by the Foresters, it is not best that that point should be emphasized to the public—but rather the contrary. To that end, I think, we should be most careful in the selection of directors."

Three things Mr. Foster makes clear in these communications to the Chief Ranger:

1. He wanted plenty of money.
2. This money was not to be used in the "general field" of trust company business, but in "operations on an active and enterprising scale."
3. He wanted the ownership of the money kept in the dark.

These were precisely the things secured him by the "expansive" operations of Messrs. Laidlaw and Wilson. Who suggested or devised those operations? The hands were the hands of Laidlaw and Wilson. Was the voice the voice of Foster?

THE DANGER SIGNAL.

On the principle that it is better to be safe than sorry, Western cities might do worse than heed the warnings of financiers that a time of financial stringency is at hand. Whether the warning be also a threat makes no particular difference in the case. The all important fact is that men who should know, claim to see a time not far distant when Canadian municipalities will find difficulty in disposing of debentures at any reasonable rates of interest.

It is difficult to see why these gentlemen should be supposed to state other than their candid convictions in the matter. Supposing, as has been suggested, that the warnings are simply war signals for a financial assault on municipal ownership, why should the warnings have been given? If financiers are to make war on the municipal ownership policy, they are surely foolish to serve notice of their intentions. A much more effective move would be to say nothing until the municipalities had plunged into enormous undertakings, and then simply decline to lend them the money. The result could not be other than a blow to municipal enterprises, and in the general discredit of such schemes the capitalists should be able to secure franchises to their hearts' content.

If it is supposed that the warnings are given with the purpose of scaring municipalities from contemplated undertakings, in the hope that these will fall into the hands of corporations, the remedy is plain. The municipalities have only to decline to part with their franchises and patiently bide the time when money will be more easily obtained. If municiaplities are stampeded into throwing away franchises by fear of money stringency, and by their own impatience they will deserve little sympathy a decade hence, if money which should be going into the city treasuries is going into the coffers of the corporations. The present appears to be one of the fitting times to do without some things.

With the country plunging ahead as it is, the wonder would be if danger signals were not flying here and there. If they were not flying the friends of municipal ownership, and of the general good of the community might well be alarmed. The time to look out for danger is when it is not expected.

IRELAND MUST HAVE HOME RULE

Cable to New York Paper Pictures Deadly Struggle to Attain It

New York, June 20.—A special cable to the New York Herald today from London says: In offering to Ireland a first installment of home rule the great Liberal party has, with its eyes opened, steered straight on to the rocks. The manifesto which the Irish Nationalist leaders have issued marks the end of an era in the political history of England and opens a new set of problems fraught with direst possibilities. The government's attempt to grant home rule by grudging installments, after angry parleys, and an unmeaning compromise, will create a deadlock in the English legislature such as has never been witnessed before. Henceforward the Irish Nationalists are pledged to injure and weaken the present government by the utmost of their power. Their action at the Dublin convention in fiercely rejecting the first installment of home rule has, they say, been a gigantic success. Never before has their policy received so thorough, precise and unqualified a sanction from the Irish people.

Declaration of War.

The manifestation is a declaration of war. The Nationalists intend, without any delay, to start mangling the business of the House of Commons by sheer force of lung and muscle. In their manifesto they make it perfectly plain that they will not accept anything less than home rule, which the Unionist party was formed to oppose. They say that unless they get a thorough grant of real self-government they will wreck the Liberal party for twenty years. They intend to have nothing else than self-government for Ireland by Irishmen. In other words, they have resolved to insist that Ireland must be governed by a parliament sitting in Dublin, controlled by Irishmen, acocrding to Irish ideas.

Forecasts Trouble.

Disorder in Ireland and obstruction in the House of Commons is the prospect which the radicals have to face as the price of their twenty years' alliance with the Irish party. With the Irish and labor members the government had a majority over the Unionists of 354. They now have 34 Nationalists and 51 sympathetic labor members working against them, in addition to the Unionists, who number 158. It is perfectly patent that the House of Commons, if it is to live as the governing power, of the British Empire, must become a systematic and constant user of the closure as the ordinary incident of every sitting. There are some Liberals who think that an energetic resolve of this kind would give heart to the majority and would keep them as close as a phalanx. But such tremendous discipline cannot be maintained indefinitely under interminable delays and galling attacks.

If Campbell-Bannerman's vast mejority is asked to lie down to be peppered like a battalion of soldiers surrounded by an angry enemy, it will lose discipline, confidence and everything else.

Nationalists Will be Busy.

The Nationalists intend to lose no time. They have decided to commence their warfare by voting against the government on the third reading of the territorial and reserve forces bill, which is now being considered by the House of Commons. At the first bye-election since the split of the Nationalists, they intend to put up a candidate for the sole purpose of increasing votes for the Unionist candidate by drawing votes from the labor representatives and the thick and thin supporters of the government.

Government members are already talking about passing more stringent rules of procedure in order to carry on the business of the nation. They know that the parliamentary business of the empire cannot be carried on while 83 Irish nationalists are always eager to wreck them by obstructing all legislation. Unionists are predicting that with an extraordinary active and generous section such as the Irish Nationals bent on mischief, the government must very soon become a hopeless wreck.

To Bully the Lords.

In the parliamentary lobbies there are rumors that the premier intends to act like a lawyer who has a bad case—browbeat the opposing attorney. Not being able to bring forward a measure of home rule, he intends to bully the House of Lords. Some of his followers are in favor of the introduction of a full measure of home rule. They say: "Make it part of the Liberal program in order that rejection of the bill will be instantly followed by the suppression of the upper chamber." That game would be too transparent for the people of England, who, after all, are prone to respect the social and local influence of great ancestral wealth and public activity displayed by so many members of the upper house. Moderate politicians profess to see in the present situation home rule visibly disappearing into the bottomless pit, and their chief argument is that this Irish convention has refused the utmost the Nationalist leaders could obtain from a radical government supported by the biggest majority that is ever likely to be seen in the House of Commons. If no more could be had from such a government what liklihood is there of another government giving more?

Flat Two Cent Rate.

Topeka, Kan., June 21.—It was announced to-day that the state board of railroad commissioners had practically decided to institute a flat rate of two cents on pasenger fares. It is stated that the railroad officials are dissatisfied with the mileage book plan and would probably not fight the order.

C.P.R. HAS NOT YET PAID FOR CONFISCATED COAL

Red Tape System of Accounting Has Prevented Taber Mine Operator to Receive $5,000 Owing Him.--General Supt. Jamieson Before Coal Commission

Staff Correspondence.

Banff, June 18—There was a car shortage last year. The C. P. R. admits it. The reason why, they say, was because they couldn't help it. General Superintendent Jamieson told a good story, too. He had the situation at his "fingers' ends." The operators claimed the shortage did not exist wholly in the winter months, but was just as bad in the summer months. The C. P. R. doesn't deny it, but in reply says troubles will occur even on a railroad, and accidents, washouts and other occurrences prevent good intentions being carried out. Consequently the mines must suffer.

Car Shortage and Its Cause.

Generally speaking, the general superintendent cast the blame for the car shortage at four doors:—

(1)—The unexpected and remarkable development of the country, necessitating the closest attention of the railroads and a tax on transportation facilities.

(2)—The unprecedented and appalling weather conditions of last winter, which he claimed were combatted better by the C. P. R. than any other road in similar territory.

(3)—The inability of car and locomotive manufacturers to keep up with the demand for their products. New rolling stock was being added all the time, but not sufficient to keep up with the expansion of the country.

(4)—The scarcity of labor. On this account they were handicapped today, especially in track and building work. They were unable to accomplish work tha thad been planned on this account.

Coal Storage.

When the C. P. R. has a surplus of coal it stores it at four principal points—Calgary, Macleod, Medicine Hat and Swift Current. Starting in with last winter they had 2,000 tons at Medicine Hat and Swift Current and the daily consumption of coal in this division reached from 1,200 to 1,500 tons. During the entire winter they had no more than a week's supply ahead at any time. He also pointed out that other freight besides coal had to be moved and they tried to move it in the order of its importance. At the time of the recent strike they were compelled, in order to keep the road operating, to confiscate commercial coal, but not more than could be avoided.

Payment For Confiscated Coal.

The mention of confiscation brought up the case at Taber, where Operator Bullock suffered almost to the extent of closing down the mine through the seizure of $5,000 worth of coal. The account had not yet been settled, but Mr. Jamieson intimated it would soon be paid. The usual "red tape" system of paying bills occurred in his case, and Chief Justice Sifton inquired if prompt payment could not be arranged when coal had been confiscated. Mr. Jamieson said he was not familiar with the work of the accounting department, but he thought it might be managed. Confiscation was an exceptional thing on the part of the C.P.R., and that might explain the dealing with accounts due to it was new to the department. The Chief Justice thought the system ought to be overloked in order to insure prompt payment.

Sunday Law Cripples Transportation.

The Lord's Day Act, if strictly observed, would seriously cripple the transportation business of the country. It meant tying up traffic for one day and it took nearly two days to get trains moving again, which would mean that the mines might be without cars not only on Monday, but Tuesday as well. The C.P.R. had avoided Sunday traffic as much as possible prior to the act, never having run way freights and local passenger trains.

Opposed to Boys Under 16 in Mines.

The commission also heard the officials of the mine at Canmore today. Dr. Richardson gave some important testimony. He was opposed to boys under 16 being employed in mines. They needed all the pure air and sunlight they could secure up to that age to develop them physically. He found the general health of miners good, comparing well with the health of people in an agricultural community.

Superintendent Morris said that the mine once in a while ran short of timber, due to inability to procure it and scarcity of labor.

Wants Unions Incorporated.

Manager Little was opposed to the British Columbia Compensation Act, but had no objection to the Nova Scotia Act. He did not think transportation men and miners should work the same hours. If they did, the output of the mine would be decreased, as transportation men must work longer to get the coal out of the mine in order to keep up the proper outfit. He wanted unions incorporated.

The Canmore mine employs about 250 men and produces 350 tons a day, selling its output to the C.P.R. at $2.50 to $2.75 a ton.