

with which no private company should be invested. The Ontario Government, if the question had been raised before any private corporation got a footing in the matter, might have rendered essential service to the province by undertaking the distribution itself, at a small fraction only above cost. As things go, other kinds of power are about as cheap as that derived from the Falls of Niagara; and this check on the price which the electric company will charge is the main reliance of the users of power. Toronto, in its corporate capacity, not having the right to obtain power from the Falls, will be at a disadvantage when the time comes for it to resume the street railway, as compared with those who possess the right and who will try to prevent resumption. This should not be; the best interests of civilization are sacrificed when a corporation consisting of a few individuals gets the better of a great municipality which represents the whole city. The municipality, in this case, is by no means free from blame; it tried to bite off more than it could swallow, and lost the whole.

An unseemly encounter took place, during the election contest in Victoria, B.C., which went in favor of the Government, between Premier Dunsmuir and Mr. Tallon; the former making statements on personal matters of fact, which the latter flatly contradicted. Mr. Dunsmuir took the audience into his confidence and repeated what had occurred in the executive council, of which he was premier member; he named a question on which they voted, and told how many voted for and how many against. What sort of an oath did Mr. Dunsmuir take when he entered the Cabinet? Has the form been altered? It used to read that no member of the council should reveal anything communicated in council. To his revelations Mr. Dunsmuir put no limit. Here is evidently room for amendment.

The Government of British Columbia has entered into a contract, provisional and conditional, with the Canadian Northern Railway Company, to secure the construction of a railway, from a point at or near Bute Inlet, on the Pacific Coast, to the eastern boundary of the province, at or near Yellow Head Pass, to join the company's railway now being built from Lake Superior. The agreement is provisional in that it requires ratification by the legislature; it is conditional in that the company may cancel the agreement, if after a survey, the route is found to be impracticable. For the first fifty miles from Bute Inlet, the company is to receive from the Government \$4,800 a mile, and for the remainder of the distance \$4,000 a mile. The Government may pay in fifty year debentures, or in inscribed stock of the company, bearing 3 per cent. interest, to be taken at 95 cents on the dollar, and the value to be made up to par by an additional amount of the same kind of securities similarly valued. The company is in addition to get grants of land to the extent of 20,000 acres for each mile of standard gauge railway constructed. The road is to belong to the company. The money is not simply to be given as a bonus, but is to be repaid by the company, at the rate of two per cent. on the gross earnings of the road, or the company has the option of repaying the whole amount in one sum.

The Government and the company are to try to prevail upon the Dominion Government to grant a subsidy to the road.

Till the international agreement for the abolition of the sugar bounties goes into effect, England will abolish the halfpenny per lb. on West India sugar; but when that time comes this discrimination must cease, under the agreement by which England has bound herself not to prefer the colonies in consideration of the aforesaid abolition by other countries.

THE TELEPHONE DECISION.

In the special case between the city of Toronto and the Bell Telephone Company, the decision of Judge Street is in favor of the city. The Canadian Parliament has a right to incorporate companies with Canadian as distinguished from Provincial objects. The Dominion Parliament did assume legislative jurisdiction over the company; but there was in existence a statute of the Ontario Legislature restricting the powers of the company in these terms: "In towns and cities and in incorporated villages [the company] shall not erect any pole higher than forty feet above the surface of the street, nor carry any such poles or wires along any street without the consent of the municipal council having jurisdiction over the streets of the said city, town or incorporated village." When the Dominion Parliament declared the Bell Telephone Company to be for the general benefit of Canada, it by that act obtained legislative jurisdiction over the company, and could have overridden the provision of the Ontario statute; but as it did not do so in clear and express terms, the company is not at liberty to set up its works on or in the streets of Toronto without the consent of the municipal corporation. The municipal organization will certainly bring strong opposition to bear against the alteration of the Dominion law, in the sense contended for by the company, and the united voice of the municipalities would scarcely be unheeded in Parliament. Some of the other courts may reverse the decision of Judge Street, for the case is certain to be appealed. If, as some believe, the unguarded use of electricity by companies costs the city an enormous amount of money, in the injury which the subtle fluid does to the waterworks, or in other directions, the city is equitably entitled to indemnity for the damage. The principle on which municipal rates or taxes, as we call them here, are levied in England is payment for services rendered by the municipality to individuals and companies. In France, some of the municipalities go beyond this. Paris receives 3,500,000 francs a year for locations sur la voie publique et dans les promenades publiques; and even the general government which owns the telephones pays liberally for accommodations it receives from the municipality. The city of Toronto ought to employ experts to ascertain the amount of the damage to the waterworks which it has suffered from the use by companies of uncontrolled electricity, and see if it cannot find the means of collecting the amount. Whatever the powers of the telephone company, it must exercise them in a way not to injure either the city, in its corporate capacity, or any of its inhabitants.