sun and rain, because the wharves are blocked with lumber and heavy goods that require no shelter. Again, your trucks cannot come anywhere near the ships. A ship has to wait days and days because trucks cannot get alongside. How are these ships to be filled with cargo. They can only be filled by goods coming long distances—from Eastern Ontario, Western Ontario and far beyond. To get them filled, and filled quickly, requires the goods to be brought down cheaply, as they are by your railway systems, and handled cheaply. But when I find that at this port there is entailed on the shipper, the railway company, or somebody, a cost of 40 cents a ton to get these goods on the ship, I don't see how you can expect shipowners to increase their fleet."

And a gentleman connected with the Elder-Dempster line of transatlantic steamers, while in Canada this month, made some observations about the needs of Montreal harbor, which, while less blunt and severe than those quoted above, are still worthy of respectful attention. Both these gentlemen mentioned Bristol as a port of good capacity for rapid handling of merchandise, since at that port it is a common procedure, when a vessel of 8,000 tons arrives, to get out cattle and 6,000 tons weight of goods, and put in 1,500 to 2,000 tons of export goods in forty-eight hours. With the dock they propose building, it is intended to do a great deal smarter work than this at Bristol. Now these visitors say to Montreal authorities: "in view of the changes of recent years in the ocean-carrying trade and the great size of transatlantic vessels, you must re-arrange your port, get the railway car alongside the steamer, and give the utmost despatch to shipping. Give more width to your piers even if you have to do with less water between piers, and make your whole system a high level one. When you have got those piers completed, you must have covered sheds for your goods, and steam or hydraulic appliances to raise the goods. This much must be done," say these men, "before Montreal can properly accommodate the shipping she so much desires." And Mr. Girdlestone further says that Quebec has in some important respects better accommodation for large ships than Montreal.

Then, what bearing has this upon the St. Lawrence route between the Western States and territories and Europe? A very weighty bearing indeed. Everyone acquainted with transportation on the Great Lakes of this continent knows how Canadian carrying trade is handicapped by the smallness of our steam and sail craft compared with the American 4,000-ton steel fresh water steamers from Duluth to Buffalo. In precisely the same way must Montreal be handicapped, as compared with Boston and New York, until we can give to 8,000 or 10,000-ton steamers the same accommodation and despatch as those United States ports can. Size of steamer and quick despatch are two important elements to carriers. We may as well make up our minds to make a good job of it, whatever the expense, especially if Canada is to do transportation for the Americans by our fast line of new and big Atlantic steamers. And the business men of Montreal will do well not to take offence at the criticisms of these Englishmen upon her harbor, but rather to be spurred by them to take immediate steps towards the improvements that are undeniably needed.

UNITED STATES RAILWAYS.

We have this week received an abstract of the 1896 report of the Inter-State Commerce Commission, being the ninth statistical report of the kind. The figures it contains give a succinct impression of the vastness of the railway system of the United States, and facts enough are added to give an outline of its condition, which from a financial point of view is very far from satisfactory. The total railway mileage at 30th June, 1896, was 182,776 miles, an increase of 2,119 miles during the fiscal year. But the aggregate length of track, including double, triple, or quadruple track, sidings, yard track, etc., extended to 240,129 miles. This great extent of track was owned by 1,895 railway corporations. Of this number, 1,008 maintained operating accounts, 782 being classed as independent operating roads, and 226 as subsidiary operating roads. Of the roads operated under lease or other agreement, 324 received a fixed money rental.

One of the striking facts of this report is that there were, at the close of June last year, no fewer than 151 roads operating 30,475 miles of track, in the hands of receivers. The capital stock represented by the railways controlled by receivers was $742,597,698, and the funded debt $999,733,766. As compared with the corresponding figures for 1895, the figures given show a decrease of over $183,000,000 in capital stock and $319,000,000 in funded debt. This is startling, but there is more behind. Out of a total of $10,566,000,000 of railway capital, namely, $4,256,000,000 common stock; $970,000,000 preferred stock and $5,340,000,000 funded debt—seventy per cent. *paid no dividend.* And the amount of funded debt which paid no interest was $860,500,000. The total amount of railway dividends was $87,603,371, representing an average of 5.62 per cent. on the amount of stock on which some dividend was declared. The amount of bonds paying no interest was $515,029,668, or 11.40 per cent.; of miscellaneous obligations, $68,918,680, or 15.05 per cent., and of income bonds, $276,611,094, or almost 88 per cent.

A distinct increase in gross earnings is shown, as compared with the previous year. The figures are $1,150,169,376, against $1,075,421,462, an increase of about 6½ per cent. There was an equivalent increase in the operating expenses, which were $772,989,044, as compared with $725,720,415. The net income out of which dividends and surplus were declared was $89,631,926. This amount is $38,000,000 larger than the corresponding one for the previous year. The dividends declared were $87,603,371, leaving a surplus of $1,534,169, after the satisfaction of adjustment claims amounting to $494,386. This small amount of surplus, however, shows an improvement, since the results of railway operations during 1895 and 1894 showed deficits of $29,845,241 and $45,851,294 respectively.

The number of tons of freight carried by United States railways during the year under consideration was 765,891,385. This is the largest tonnage ever reported for railways in that country. The increase during the year was 69,130,214. Passenger traffic also shows an increase of nearly one per cent. The number of passengers carried was 511,772,737, being an increase of 4,351,375, as compared with 1895. The number of passengers carried one mile during the year was 13,049,007,233, showing an increase as compared with the previous year of 860,560,962.

For the first time, a summary showing the compensation paid to railway employees is presented in this report. It includes the compensation of over ninety-nine per cent. of the men for 1895 and 1896. The aggregate amount of money paid in wages and salaries, as shown in the summary for the year ending June 30th, 1896, was $468,824,531, or 60.65 per cent. of the total operating expenses of railways.

CONVICT LABOR.

What shall we do with our convicts? It is not in the interests of the taxpayers that they should be maintained in idleness, nor is such a course likely to be beneficial to the convicts themselves. The object of imprisonment is now generally considered to be, not as punishment alone, but as a remedy for the criminal traits in the men. There is nothing more beneficial to this end, than to teach men to be industrious. But so soon as convicts are set to work at any particular industry, an outburst of disapproval