

to the one whose previous speed record gives reason to believe that it would deliver the mails sooner on the other side of the Atlantic. It is difficult to imagine a condition of affairs more satisfactory either from a postal or commercial standpoint, than the practice in vogue has built up; under it speedy transmission is the only condition considered in the despatch of mails."

It is thought that if the Canadian Government would offer 500 thousand dollars for a twenty-knot service, and 750 to 800 thousand dollars for twenty-two knot speed and upwards, to be supplemented by Imperial subsidy of 50 per cent. additional (these subsidies to be paid on the principle of bounties for speed development), the unrestricted enterprise of Canadian and British ship-owners would soon give Canada a service equal in speed to that of New York. Of course these subsidies would only be open to Canadian, British and Colonial competition.

But, if this country is not sufficiently advanced to adopt the American-Anglo-Atlantic system, which has proved so successful in giving New York the fastest ocean liners, trans-Atlantic travel and commerce, the new French contract has merits in it worth examining. The contract made in July, 1897, by the French government, with the Compagnie General Trans-Atlantic for the improvement of the French mail service, stipulates the building of three new steamers in France of the most improved type. If the boats fail to develop a minimum speed of 22 knots, they can be penalized for every one-tenth knot under, and should the speed prove to be less than 21 1-4 knots, they can be refused. Further, if on July 1st, 1905, it should prove that the annual average speed of those boats is, at that time, ten per cent. lower than that of the boats belonging to any one of the competing lines, the company will have to build a fourth steamer of the most improved type and place her in line at the latest by April 1st, 1908, and her speed is to be in every respect equal to that of her competitors. In addition to the £200,000 subvention, premiums which reach \$360,000 are offered for speed above the 22 knots contract.

The old subsidy contract arrangement having failed in Canada, some better system should be devised in order to compete with the ever increasing speed on the New York route. To make a ten-