

The above is a sufficient statement of the advantage of water over rail transportation in general. It should be noted, further, that this advantage will be much greater in the case of our Inland and Western commerce, if direct communication be established for large ocean vessels to the head of the Great Lakes. With such vessels the charges for loading and unloading into barges or smaller vessels, and for insurance on elevator storage at intermediate points, wastage and similar losses would be avoided; and in addition, a cheaper rate is offered by vessels with large, as opposed to those with small, capacity.

COMMANDING POSITION OF CANADIAN RAILWAYS.

Our railways, aided by lavish contributions of cash and lands from the Federal and Provincial Governments and by assistance from many municipalities, have achieved, in the past, results quite satisfactory to themselves and dazzling to the public. Their net earnings are increasing rapidly, making them in some instances the envy of the financial world. These railways have not only been the recipients of public favors; they have also enjoyed continuously good business management; and under these favorable circumstances, they have grown into giant corporations, which the very government that helped to create them can scarcely control. Such attempts at control, exercised through the Courts and the Railway Commission, are ignored by "Gentlemen's agreements," or they are neutralized by delay, and even overcome in such cases as the Toronto Union Station and the Western freight rates, by virtual defiance. The natural weapon for regulating these powerful corporations is the exploitation of the waterways.

OPPOSITION OF CANADIAN RAILROADS TO WATER TRANSPORTATION.

Where, as in certain European countries, governments own and operate the railroads, the most is made of natural waterways, because water transportation is the cheaper, and the purpose of such governments in providing either rail or water facilities is simply to give the most advantageous and efficient service to the public. Moreover, where private corporations control a waterway, full advantage is taken of the possibilities, because the exploitation of them is profitable to the corporation. In countries, however, where railways are operated chiefly by private corporations, these companies seek to dominate and nullify the natural advantages which nature has provided. Such, unfortunately, is the case in Canada to-day. By wild and commercially impracticable projects like the Shubenacadie Canal in Nova Scotia, the Chignecto Ship Railway, and the Newmarket Ditch, foisted on the government and public by contractors and politicians with the assistance of optimistic and accommodating engineers, whom like expert witnesses and the proverbial poor we have always with us, the railway corporations are left quite cold. By such schemes, indeed, their interests are not threatened, and they gain time while the country is wasting its money. When, on the contrary, a project which will compel a reduction in traffic rates is under consideration, their activity is at once to be noticed. From this standpoint, it is significant that our railway corporations appear to have paid no more attention to the proposed Georgian Bay Canal, than to any of the former fiascos, such as the Shubenacadie Canal, where on completion it was realized, just as it would in the case of the Georgian Bay project, that there was not sufficient water available for locking purposes; but, on the contrary, to an adequate