

and Waterways" by Mr. William Fleming, in both of which the subject is treated with the ability that might be expected. Sir Henry Tyler commenced his reference to that important topic of his speech, by acknowledging that it is very difficult to determine the cause of the war of rates, and he proceeded to mention several in which Mr. Vanderbilt was more or less concerned. It was the opinion of a gentleman from whom he read a letter without giving the name of the writer, that "the war is being waged for the express purpose of lowering the price of stocks, in order that large operators may re-purchase securities, which they had previously sold at higher prices." Sir Henry Tyler remarked, "It would be difficult to imagine the chairman of the North Western, Great Western or Midland (English roads) operating in the stocks of those concerns, lowering rates throughout England, and after accomplishing the purposes of the movement, restoring tariffs, and resuming their ordinary positions at the head of those systems as if nothing had happened." The inference is plain. The object of the United States railway magnates in cutting rates, is to depress stocks so as to enable them to buy them at a low figure, after which the rates will be again raised, and additional millions added to the enormous wealth of the operators. Sir Henry Tyler proceeded to explain the action of the Grand Trunk under the circumstances. It was to reduce passenger fares to the bottom, and accordingly the rate between Chicago and New England was reduced to \$5, and the reason for this was that the Grand Trunk carry mostly freight traffic on their system, while the other companies carry more passenger traffic, and obtain large profits therefrom. On this subject, Sir Henry Tyler went into many details, chiefly interesting to his own company. As to the remedy for the present state of things it was admitted that it was a most difficult subject, as "all sorts of remedies have been proposed and many tried." What Sir Henry Tyler advocates as the best remedy is to bring public opinion to bear on the delinquents. "If American gentlemen would themselves set to work to discover who are these people who lower the rates and what they do for, and would publish, without fear, favor or affection, the results of their discoveries, I believe the cure would not be far distant." Sir Henry Tyler seems to imagine that if the causes which are operating, "whether there are speculators bearing stocks or buying up stocks" were set clearly before the American

public, "it would do more to stop this abominable state of things than anything else we can devise." It is much to be lamented that such motives should influence those who control the management of railways, but the general public have little sympathy with the railway shareholders, and are only too glad when rates are reduced, no matter what the cause may be.

Mr. Fleming, in his contribution to the *Fortnightly*, has given some interesting information on the subject of railway carriage. With regard to grain rates he states that for past seasons they have been, between Chicago and New York, per 100 lbs., 30 cents in summer and 35 cents in winter, while lately they have been reduced to 20, 15, and even 12½ cents. The actual cost, irrespective of interest on capital or contingent expenses, is said to be 20 cents, so that of late the railroad companies are losing heavily on their freight. Mr. Fleming is evidently not of the same opinion as Sir Henry Tyler, for he says: "The true significance of the lowering of rates has, in great measure, been lost sight of, from its being too generally assumed that the rate-cutting had arisen wholly from the inherent combativeness and love of over-reaching one another, which are regarded, and not without considerable reason, as the ruling passions of railway managers." In the opinion of Mr. Fleming, "the real reason for a reduction of rates has been that the railway companies have been impelled to this course, or to leave the transport of grain altogether to their water competitors." Reference is then made to the canal system and to the great improvements being made in the Canadian canals, and a forecast is made, that "British steamships of nearly 2000 tons will lie at the docks of Chicago and other Lake ports, unloading their merchandise or receiving their cargoes of grain, provisions, &c." The average rate of freight last year by canal from Buffalo to New York, including toll, was 6½ cents a bushel, and it is probably less this year. The new route by the Mississippi, is held by Mr. Fleming to be likely to be a formidable competitor with the railways, and likely to prevent their increased winter rates. Reference is made to a pertinent remark by the Consul General at New York, which is: "But for the canals, railroad combinations would be all powerful and able to dictate their own terms all the year round for the transport of freight." Mr. Fleming is evidently much impressed with the great importance to nations generally, of improving their water ways, and he re-

fers to recent efforts in that direction by several European countries. He also notices as an important fact that in continental countries and the United States (and he might properly have likewise included Canada) "the inland navigation is owned and controlled by the respective Governments. It is not left as with us (in England) a prey to the aggressive instincts and over-mastering power of the railway interests."

We must confess that we incline to the opinion that Sir Henry Tyler is more correct in his opinion as to the cause of the cutting of rates than Mr. Fleming, although it must be borne in mind that the short crops in the West have not been without their influence on rates. Mr. Fleming's chief object has been to attack what he terms the "unqualified monopoly" of the English railroads which have "either purchased, leased or subsidized" fully 40 per cent. of the canals in the United Kingdom. On this continent there is no danger of railroad monopoly leading to excessive rates, but there certainly is grave reason to fear that railway magnates make use of their influence in the way described by Sir Henry Tyler to bear and bull the railway stock market.

THE TELEGRAPH EMBROGLIO.

We have read with attention the very serious charges brought by the Mutual Union Telegraph Company against Mr. Erastus Wiman and the letters of the accused in reply. The facts are by no means creditable to the parties concerned. It appears that Mr. Wiman had evinced a desire to obtain some precise information as to the terms of a contract entered into between the Company and Messrs. I. G. Moore & Co., contractors for the line. He contends that he had a right to the information, as a shareholder in the company, but it is obvious that his real object is to damage the Company, and, if possible, to prevent its success. The Company having become aware of Mr. Wiman's desire to investigate their affairs, laid a trap for him, into which he admits that he fell. An individual unconnected with the Company, and professing a desire to assist Mr. Wiman, made overtures to him and promised to procure the required document for a sum of money fixed first at \$150 and subsequently at the advanced price of \$250. There can be no doubt that Mr. Wiman, was well aware that the document was to be obtained and a copy taken without the knowledge or consent of its custodians, and he went so far as to promise a situation of \$1,000 per annum