

wharf, and from Government elevators (the latter not yet built). I will now argue the much-vexed question, which of the two maritime ports to choose for the winter export trade of Canada—St. John or Halifax?

It is admitted by many Liberals, and it is the avowed policy of all Conservatives, that Canada's trade should flow through Canadian and not through foreign ports. Canada has only two winter ports that have sufficient harbour accommodation to control that trade, namely, St. John and Halifax. What has been done for Halifax during the past thirty years to assist her in controlling that trade, and how has that city responded?

The Intercolonial Railway was built about 1868, and taxed the whole of Canada to provide specially to Halifax the means of making that city the export and import winter depot. As well did that road give to Montreal and Quebec merchants a firm grasp on New Brunswick trade, especially with our North Shore counties, which trade was formerly held by St. John.

A central railway, as wanted by our citizens at that time, would have been 200 miles shorter from Montreal to St. John than the present I.C.R., and would have given St. John the chance to have taken the export freight trade to Europe, and also the certainty of keeping her own provincial trade with the North Shore counties. That central railway would have opened up the thriving farming centres of New Brunswick, and would not be showing deficits every year. Thus the I.C.R., built in the interests of Halifax and Quebec, has vitally hurt the interests of St. John.

Before criticising further the favoritism of the Government, let me compare the natural advantages of the two cities for the export winter trade.

Halifax has a very large harbor, plenty of deep water, and a tide of only four to six feet. Its harbor is frozen over only at rare intervals, perhaps twice in twenty years. The last time this occurred the mail steamers had to be cut out of the ice. The Nova Scotia coast is bold, the fear of which, and of the subtle magnetic influences so dreaded by mariners, induces almost all steamer captains to run slowly as they approach. In very stormy weather it is quite impossible to make Halifax harbor. Three years ago the mail steamers lay to outside the entrance eighty hours before they could proceed inward. Frequently steamers have had to wait one or two days before entering. This has been in consequence of heavy storms and fog, which are prevalent off the Nova Scotia coast in winter, but not in the Bay of Fundy in winter. The much-talked-of fog in the Bay comes in the summer and not in the winter.

From Halifax to England is 250 miles shorter ocean trip than to St. John. This is of great advantage to the summer travel, but not to the business travel, except the latter can get to England from Montreal quicker by that route, which is yet to be proven. Halifax harbor has comparatively no currents, and in that respect is ahead of St. John.

The harbor of St. John has often, during the last ten or twelve years, had lying afloat at one time, at low tide, ten of the largest tramp steamers (so called) loading deals. It is not nearly as large as that of Halifax. It has deep-water wharves now for two 600 ft. ocean steamers, and has smaller wharves for others, besides the one pier owned by the government railway, which can accommodate three steamers. All of these wharves will float large ocean steamers at low tide.

The rise and fall of tide at St. John—twenty-five feet—is a disadvantage in creating currents, and making it necessary to build more expensive wharves. It has two great advantages, however, in preventing the harbor from freezing and in making shipments of grain much less expensive than at Halifax. An elevator of three stories at St. John will do the work of one of six stories at Halifax. To make the port of St. John is less dangerous in winter than to make the port of Halifax. A steamer leaving England, keeping well off the Nova Scotia shore, does not have to reduce her speed until right up to the harbor.

Freight carriers from England will charter cheaper to St. John than to Halifax, because they are always sure of getting deal cargoes back. St. John shipped 136,000,000 deals last year, Halifax only 35,000,000.

I now revert to the efforts made for the last thirty years to force Canada's trade into Halifax at the expense of the Dominion. First,

the Intercolonial Railway, as detailed. Second, the persistent cutting down of through rates to Halifax by I. C. R. on ocean-bound freight. Third, the building of one elevator and wharf accommodation for thirteen steamers. Fourth, the building of eight warehouses for landing sugar and other cargoes. Fifth, the spending of a large amount to extend the I. C. R. along the harbor front.

All this has been done for Halifax, and up to 1891 what was the result? St. John took the inward sugar trade, carried it last year to Montreal, and is doing so this year. Halifax, with her Government-built wharves, warehouses, elevator, etc., up to 1891, has not captured a tithe of the great export trade of Canada. With her subsidized London and Liverpool steamship lines working with the Government free elevator, Halifax has been beaten by Portland, Me., which latter city has been doing the trade. Now the Government, by carrying C. P. R. export bound freight at 3c. per 100 lbs. from St. John to Halifax, 276 miles, and by a steamer subsidy of about \$100,000,000 a year for weekly steamers, intend again to make a final effort to push the trade through that city.

Standing in the city of Toronto, and thinking of the question as a grain shipper, I see before me the two open winter ports, St. John and Halifax, the one larger than the other, but not quite so safe; St. John having enough wharf accommodation, Halifax having a great deal; vessels seeking St. John for freights in preference to Halifax, but steamers being forced to Halifax by large subsidies. I see thousands of tons of freight carried from St. John to Halifax at a cost to the Dominion of \$1.50 per ton, which would be saved if the steamers took the freight at St. John. The Government has built at St. John only one wharf to accommodate three small steamers, one small warehouse, and no elevator. I see steamers arrive at St. John and go away from the Government pier only one quarter loaded, to take the balance of their cargoes at Halifax—that very cargo was grain which went through the city of St. John a few days before.

Manifestly St. John is the better port, the cheaper port, and should do this business.

ATLANTIC FAST STEAM SERVICE.

Will the Canadians of Ontario note the "terms and conditions" of the proposed service? "And in the winter, weekly trips to Halifax, or to Halifax and St. John, the first port of arrival and the last port of departure to be Halifax."

One great steamship company in England has said that they prefer to go to St. John direct, not calling at Halifax. Under the above contract they cannot tender for St. John direct. It is held by steamship men that of two steamers leaving Liverpool with mails for Montreal, one going direct to St. John and the other direct to Halifax, the St. John steamer could deliver the Montreal mail from one to two hours earlier than could the Halifax steamer.

Shippers from the west would thus save by shipping in the St. John steamers to Europe the bridge tolls and I. C. R. freight, 276 miles to Halifax, in all, about \$1.50 to \$1.75 per ton. Marine insurance is the same from both ports. It is thought that Canada can easily get a steamship company to perform this weekly service if from St. John direct, not calling at Halifax, for about \$750,000 per annum.

To call at Halifax both ways would involve an extra subsidy of at least \$300,000 per year. Is the country willing to grant this large amount together with the subsidy in freight rates, elevators, wharves, &c., to still further experiment with Halifax?

We in St. John, although 98 miles nearer by the I.C.R. to Montreal than is Halifax, have not yet, to any extent, had the favored hand of the Government to assist us. Further, we do not want any favors, only fair play. Halifax has been tried, and even when largely subsidized, cannot command the trade. In this new experiment of fast Atlantic service, let the Government give a weekly line to the two ports alternately. One week direct to their piers in Halifax, the alternate week to their pier in St. John. Let them put an elevator on their St. John pier as they have at Halifax. Make the contract for ten years, with the proviso that at the end of two years the steamship Co. have the right to run entirely to either port they prefer. Put the I.C.R. freight at cost, or even at the half-cost rate of 3c. per 100 lbs. and at the end of two

years Halifax will accept the inevitable and admit that St. John is the better city for the export trade of the country.

A fair equality for the two ports by the sea is surely Canadian justice and British fair play.

LEATHER.

Editor MONETARY TIMES:

SIR,—Commercial papers are full of notices of failures in the leather trade—tanners as well as boot and shoe men—and outsiders wonder why in this trade when one firm goes down so many others are dragged down also, like a pack of cards on edge. Let me suggest a few of the reasons. Every manufacturer to succeed must be, or he must employ, a clever man of figures in order to get at costs of material and labor. Tanners seem especially to have lacked in this particular, and I can give you to-day the names of tanners who know all about tanning a hide *except what it costs*. The result is that the tanner, ignorant of the cost, puts his goods too low, and prices are kept below a living profit.

But why, it is asked, are leather failures always worse than others? I will tell you. A tanner buys raw hides. His banker (for there's usually lots of money) immediately advances him 75 per cent. of their value; they are manufactured and the leather passes immediately to the selling agent, who, in his turn, advances to the limit (sometimes beyond) of its value. These advances are swallowed up speedily, and when the crash comes, all the assets are hypothecated for advances and outsiders get nothing. The banks are all right, and the selling agents are all right if their advances are not in excess of the leather consigned to them, but let the others stand from under, for there is nothing for them but a total loss.

Moral—let tanners pay cash for their hides, oils, bark and other materials, and then any money lost on account of their incapacity will be their own.

Yours,

A VOICE FROM THE "SWAMP."
Montreal, 19 Jan., 1892.

FINANCIAL AND ECONOMICAL.

Editor MONETARY TIMES:

SIR,—In the belief that an occasional contribution to the columns of your valuable journal from a Maritime Province subscriber, and a constant reader, may not prove unacceptable, I shall address you on matters of mutual interest.

I am glad to observe that one of the first acts of the newly formed Bankers' Association is to take up the subject of the "American silver dollar certificates" or notes, because I believe that this sort of currency will eventually become a very great nuisance to the people of Canada, unless promptly dealt with by the Government in the same way that in 1870 they packed off the American silver coin to its own country. I have taken the trouble to-day to look through a parcel of American currency in my hands and taken in the ordinary course of business, and I found that, of a total of \$569 in the till, no less than \$274 was composed of these silver "certificates," which should certainly be worth no more than the silver they represent. As a matter of fact, they pass current all around here quite as freely as our own Dominion notes, and no doubt displace to a very considerable extent the legitimate currency of the country.

I have read with considerable interest your articles on the Civil Service reform questions and sundry letters from correspondents in reference to the subject. It is satisfactory to observe that a suggestion I made in a former letter that no real or substantial reform would likely be had until the whole system of patronage was abandoned, has been urged since in several newspapers, and touched upon even by the *Montreal Gazette*. If Ministers and Members of Parliament are to retain the powers they now have, the work of the commission will avail very little, and while they may recommend some desirable changes, the root of all the trouble will remain untouched.

The recent failure of a large American bank in Boston, and the intimate nature of the connection between that disaster and some of the directors, including the president, suggests to