

dian Railways, hitherto, is owing to the fact that our lines cost the excessively high average, for a country such as this, of \$62,765 per mile. That all this was not legitimate expenditure appears almost conclusive, in view of the fact that American lines have been built for an estimated average of \$44,000. This estimate of \$44,000, too, is based on their capital accounts, which must exceed the sum actually expended in construction, the stock and bonds of the companies, not having produced more than an average of about 75 cents on the dollar. Besides, the capital accounts have been largely increased in many cases where lines have been consolidated to equalize values or from dividends paid in stock or bonds to represent estimated profits or value over cost. From this comparison it becomes apparent that our railways have cost 33 to 40 per cent. too much; and that on their cost, diminished by that per centage, they would pay a satisfactory return for the money invested in them.

The leading idea of the present railway movement is such a reduction of first cost as shall bring the expenditure of the lines within the limit, where, judging by the experience of existing roads, they are pretty certain to prove a paying investment. With this object the narrow gauge experiment is to be tried. Should the grand desideratum—Canadian railways paying a handsome return to their proprietors—be thereby reached, the objections to a break of gauge must be set aside as of secondary importance. The true principle in the construction of any road is to adapt construction (and hence cost) to the probable traffic to be accommodated. We have in Canada the bush road intertwining itself with the trunks of the forest trees; then the turnpike, the plank or gravel road, the tramway; we are soon to have the next gradation, the wooden railway, then light railways, of broad or narrow gauge, culminating at last in a first-class railway with steel rails, the most durable kind of permanent way, and an ample equipment. All of these are right and proper in their place—that is, when they suffice for the traffic, and when the traffic suffices for them. In the projection of roads, therefore, it is wrong to proceed upon any straight-laced theories; it should be ascertained, upon intelligent enquiry, what amount of probable traffic will be forthcoming, and adapt the cost of construction and, if necessary, the gauge to the circumstances of the case.

If this principle be practically applied to the lines now projected, and in process of construction, the result cannot be otherwise than satisfactory. We require a great increase of railway facilities; no means is so well adapted to open up the country and enhance

the value of the produce raised in the sections most remote from the frontier. While, therefore, every encouragement should be given to the present movement, promoters and contractors should be watched with a jealous eye; the greatest caution is requisite, in order to guard against the evils above hinted at, or there will assuredly come a reaction, the violence of which will be proportionate to the extent of the evils which shall have given rise to it.

THE DOMINION BANK.

The sum and substance of the prospectus issued by the provisional directors of the Dominion Bank is, that there is room for another banking institution in Ontario, and that they hope to secure its establishment. We agree with them in the conclusion that Toronto is the proper headquarters for an institution intended to give the business men of Ontario the use of additional banking capital, and that the present and future of this province furnish ample encouragement for investment in bank stock. Those whose names appear as promoters and co-operators in the scheme, are so well known and so highly esteemed as trustworthy, substantial and successful business men, that it is almost superfluous to say anything in the way of recommending to favorable attention what they have in hand.

The Dominion Bank was incorporated by an act of the Dominion Parliament. Its capital is placed at \$1,000,000, in 20,000 shares of fifty dollars each. \$50,000 has been already subscribed, and as soon as \$400,000 is taken up, a beginning will be made under the charter. It is understood that an effort will be made to bring about an amalgamation between the Dominion and the Royal Canadian, as soon as the former is in a position legally to take advantage of the act passed last session in aid of the Royal. Such an arrangement would, if carried out on equitable terms, be of benefit to both institutions.

A meeting of the Provisional Board was held yesterday afternoon, when it was determined to place the stock on the market at once, and to organize the Bank at the earliest possible date.

LAKE SUPERIOR MINING REGION.

There are some matters in connection with the administration of Crown Land affairs which need to have more careful attention paid to them than they have hitherto received. It is well known that the office of Commissioner is no sinecure, and that of all members of the Government, the Commissioner is the one who has the most frequent opportunity of making enemies. Worried

by speculators, harrassed by well-meaning applicants for what they consider their rights, deceived by this man and played upon by that, knowing scarcely where to place confidence, or on what statements to rely, he stands at bay, and, if honest, sows in all directions dragons' teeth which are wonderfully fecund. While we sympathise with the Commissioner, we must, perforce, add our mite to his accumulated troubles. Explorers in the Lake Superior mining region have a vast number of difficulties thrown in their way by reason of the failure, on the part of companies or individuals to whom locations have been granted, to get such locations surveyed. It is understood that they are bound to make surveys, so that one may know what extent of territory they own, where it begins and where it ends; but it is equally well understood that they do not fulfil their obligations in that respect. An explorer is scarcely ever sure whether he is not spending his time and money for some other one's benefit, and, very naturally, parties are deterred by such uncertainty from entering the region at all. Of course this prevents the development of a district admittedly rich, whose progress would tell upon an out-of-the-way place, which cannot afford, at present, to lose even a settler.

The taxation of unpatented lands and of absentee proprietors is another subject which it would be well for the Commissioner to take into serious consideration. The Lake Superior mining region languishes, with all its mineral wealth, and it should be ascertained why that is the case. The American side presents a striking contrast, and the effect of that contrast is seen in the departure of Canadian miners one after another for the United States. There should be a land office at Sault St. Marie, where it could be ascertained, without a journey to Toronto, what lands are taken up, and what are still open to the enterprise of the explorer.

It cannot be expected that a Commissioner, with his hands full of complicated cases arising in old settlements, can do justice to the claims of outlying districts, or in a short time remedy the abuses of years. But it is certain that the Lake Superior region suffers seriously from neglect. Perhaps a special commission of enquiry would result in useful suggestions as to the proper policy to be pursued in a region whose wants are peculiar, and only understood by those whose lot is cast within it.

BANK OF UPPER CANADA.

A "Trustee for an English Stockholder" has written to the *Hamilton Times*, complaining that the Statements put forth from time to time by the Trustees of the Bank do not