of $2,000,000. The improvement scheme accepted by the Government provides for the building of additional wharfs with basins of sufficient capacity to take in the largest merchantman afloat, and the construction of a dry dock large enough to accommodate any vessel trading there. These improvements will place Montreal in the front rank of the harbors on this continent, and enable her to handle the growing trade to which it is confidently anticipated such an impetus will be given, that the Minister of Public Works has felt warranted in prophesying that a total of 100,000,000 bushels of grain will be handled at that port annually, when the improvements are finished and the canals deepened. Already the vessels coming into Montreal Harbor are larger than can be conveniently handled, and the Elder-Dempster Company announces an addition to its Montreal fleet of six vessels, now in course of construction. These vessels will have a total tonnage of 56,000, two of them being of 12,000 tons each, and four of 8,000 tons each. Of the former, the Mount Royal is already off the stocks, and will be in commission when next season opens; the other five are in course of construction. Other companies, too, have vessels in course of construction that will exceed in strength, speed and capacity any ships that have hitherto traded at a Canadian inland port.

Equally important with these improvements, as an incentive to increased business, is the reduction in the freight charges upon grain from the western granaries to the eastern shipping port. This reduction, which is one of the valuable considerations secured by the Government, in return for the subsidy granted in connection with the construction of the Crow's Nest Pass Railway, will be three cents a bushel, one-half of which came into force at the commencement of the season. While a cent and a half may not appear very much, one way or the other, it mounts up marvellously on the grand total, it being estimated that upon shipments of 1898 alone the farmers will save $300,000. Next year on the same output the saving would double; as, however, the output is rapidly increasing each year, it is not too much to expect that within a couple of years the farmers of the west will be saving a million dollars annually in cold cash by reason of this one item.

This saving on the existing volume of trade is in itself of great importance, but the impetus it will give to increased business is even more so. A notable example of this may be found in the effect produced in the Albert district some three years ago, where a substantial reduction in freight rates opened up a large and profitable market in the mining districts of British Columbia to the farmers of Alberta, and gave an outlet for hundreds of thousands of dollars worth of grain, dairy and general farm produce, which previously could not be sold at all, or only at an actual loss.

The Crow's Nest Pass Railway.

Reference has just been made to the Crow's Nest Pass Railway, and, as the chief railway development of the year, brief further reference is permissible. The necessity for better and more direct communication between the east and the great mining district of the Kootenays had been felt for two or three years, and it was realized that the one thing needed to open up this fabulously rich territory was a railway, cutting though the mountains just north of the international boundary line. After careful consideration of various alternative plans, the contract was let to the Canadian Pacific Railway Company, and the work commenced by them in 1897. Under the terms of this contract the Government may give running powers over the road to any other railway that may in the future apply for them. The Government has also retained absolute control of the rates over the line, and from any point on the Canadian Pacific Railway to any point on the Crow's Nest Pass Railway; or from any point on the Crow's Nest Pass Railway to any point on the Canadian Pacific Railway, it has further secured the substantial reductions in freight rates referred to above, reductions so substantial in fact, that there is little doubt that the $11,000 a mile subsidy, which has been granted, will come back to the people in a very short time, probably within five or six years.

Speaking of this important piece of railway extension, the Minister of the Interior recently summed up the net results as follows :—"In the first place, it furnishes a line of communication between eastern Canada and the Kootenay, and, in the second place, it furnishes transportation for the mines along the line; in the third place, the most important perhaps, it furnishes cheap coke for the purpose of smelting the refractory ores of British Columbia. Taking into account that the quality is as good as any in the world, and taking into account the quantity,