

State, no power to dispose of the grain except in accordance with the State-countersigned receipts. The banking and elevator interests of Winnipeg have been steadily endeavoring to improve the conditions surrounding terminal receipts in Canada, and the system at present in use will give any foreign, as well as any domestic, banker a most perfect form of security. Winnipeg holds the second place in America in the volume of grain trading, and everything which can be done to make this great department of our commerce work satisfactorily should have the patient consideration of all concerned."

Thus, it is seen that the help of European capital, more especially to move American crops, is not a new development. This, to a large extent, is in the nature of temporary financial assistance from abroad. The wheat area of Canada twenty years ago was 623,245 acres. This year it is estimated at 6,878,000 acres, a gain in that period of 1,003 per cent. While the increase in acreage may not prove so remarkable in the next twenty years, it will certainly be large. Before then, one of two things will probably happen—the introduction of European aid in crop financing, as has been the case in the United States, or the increase in the total available bank capital in Canada. The tendency of banking in this country has been to the conservation of banking strength in a comparatively small number of banks. For instance, in 1889 we had 41 chartered banks, which number ten years later had been reduced to 38, and this year to 29. On the other hand, the number of bank branches has more than made up for the diminution of the head office total. Two years ago the number of bank branches was 1,608; to-day it is 2,144, with additional branches in the United States, England, Newfoundland, the West Indies, France and elsewhere.

While the bank figures show astonishing increases during the past forty years, the paid-up capital figures do not show such large gains proportionately as do other items. The paid-up capital of Canada's chartered banks in June, 1869, was \$30,289,048; last year it was \$97,436,424, a gain in 39 years of 221 per cent. In the same period the total deposits of the chartered banks have increased 1,963 per cent., while the discounts to the public have increased 1,044 per cent.

In view of these considerations, the proposed introduction of British capital by the sale of Canadian bank stock in England is of unusual interest. In connection with this, the British investor must remember the double liability clause of our Bank Act. Mr. W. R. Lawson, the well-known financial writer of London, recently stated that colonial bank shares had complications of their own, the principal one being "the bogey of reserve liability," which in some cases was equal to the amount of a share, and in others double. The fact that there is such a great variety of bank shares known to the London investor causes him to study carefully the exact position of any given share. This is one of the chief reasons why bank shares are so little dealt in on the London Stock Exchange, but comparing those of the various overseas empires, it is safe to say that the Canadian bank share offers the greatest attractions.

HUDSON BAY ROAD AND ITS PROBLEMS.

Canada continues its development along the lines of transportation. The building of the Grand Trunk Pacific, the construction of the Alberta and Great Waterways Railway, the railroad policies of the British Columbia and the Alberta Cabinets, the proposed inauguration of a Canadian Northern steamship service, the working arrangement made between the Canadian Pacific and the Allen Line, and the survey of the Hudson Bay Railway, are important instances of this progress. The vitality of Canada as a wealth producer and commercial

factor depends largely on transportation. In a country of magnitude, there is no time for bickering anent the merits of a Northern or a Southern port, Eastern or Western terminals. Canada is big enough to support the claims of both. We require Atlantic and Pacific outlets all along the coast. Although we have a network of steel, there is yet another such web to spin.

The report of the engineers who surveyed the alternative route of the proposed Hudson Bay Railroad, and who favor the Port Nelson as compared with the Fort Churchill route, has been presented to Parliament. To connect Nelson with The Pas, the nearest railroad point at present to Hudson Bay, would require the construction of 410 miles of steel. The total cost of the line, with its stations and other appurtenances, to Nelson is estimated at sixteen and a half millions. Building the road to Churchill would mean 67 additional miles and two and a half millions further expenditure. The engineers say that Nelson harbor is more easily approached than Fort Churchill, and its development will cost less by about a million and a half.

Mr. Butler, Deputy Minister of the Department of Railways, has found some difficulty in deciding upon what basis to provide accommodation for a railroad that cannot be operated to its capacity for more than two months of the year, to a lesser extent for three months, and for the remainder of the year, still less. He has figured things this way. Providing facilities for the maximum capacity of a single line, the road could handle 32 freight trains and one passenger train every 24 hours of the busy season. With Mogul engines, trains of one hundred forty-ton cars could be hauled. This would mean that sixteen loaded trains of wheat, or 64,000 tons a day, could be landed at Nelson, which would ensure the delivery of 64,000,000 bushels in one month—the estimated time between the beginning of threshing and the close of navigation on Hudson's Bay. It would take nine ships a day to take care of the wheat for the season of thirty days. Any additional grain business to the bay would have to be stored until the following August, or for nine months. The operating equipment of thirty-two trains a day would cost an additional \$9,000,000. It would entail the provision of 108 train crews, 150 telegraph operators, 54 gangs of section men, shopmen, roundhouse men, superintendents, train and yard masters, the greater number of whom would not be required once the rush was over.

Although the Saskatchewan Legislature have carried decisively a resolution in favor of the road's construction, it will be seen that many problems are to be solved before the proposed line becomes a practical and commercial possibility. While it may call for government aid in its construction, it does not appear to offer opportunities for government operation. The success of the line would seem to depend upon fine concentration of transportation facilities upon the road during what may be called its busy season. Such a service could be rendered only by a railroad corporation with a knowledge and experience of the business.

Two pamphlets were published by the Monetary Times a few years ago regarding the resources of the Hudson Bay district and the opportunity for commercial access thereto from Ontario. It was then shown that the shortest possible route for a railway line from the Great Lakes to navigable waters in the basin of Hudson Bay is about 250 miles. With building and equipment cost similar to that of the Temiskaming and Northern Ontario Railway, about \$40,000 per mile, the construction would entail an expenditure of \$10,000,000. In addition, there would be expense of the river waterway and marine equipment for 200 miles to the sea. Some have argued that the geographical position of Ontario entitles it to become the conservator of Hudson Bay commercial resources. Ontario having recognized that railway building as the pioneer method was in this in-

stance for the suggestion first built upon the transportation problem.

This mature consideration of the route would mean two years of business industries to equal the surface engineers' expense of time. By making mobiles and the transit reduced to ready, the

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