

THE PACIFIC RAILWAY.

This greatest of all our public undertakings has reached another stage. The prolonged suspense of rival aspirants for the contract has terminated, and the result is fully set out in the charter summarized in other columns.

One of the first points that suggests itself on reading that document is, that while a Company has undertaken the work a very large share of the responsibility, both for the proper construction and good management of the line, still rests with the Government, or, in other words, with Parliament and the country. Besides the numerous questions that must arise, for which no statute can provide, a number of matters of great importance are left, by the terms of the contract, for future arrangement. For instance, the kind of construction and equipment that shall be provided, the character of the bridges, the mode of working the road, the amount of bonds that may be issued, are all left subject to future agreement or re-arrangement, as circumstances may arise. We do not know that this could have been otherwise; it would, perhaps, be impossible in the face of so much uncertainty to have entered into an agreement more definite and more certainly binding. These contractors, it must be understood, are in no such position, as, for instance, the contractors on the Intercolonial Railway. In that case definite plans were made—a thing impossible, doubtless, in the present instance—and upon these plans the contracts were based. If the securities were good the position of the Government Commissioners was such that they could, if they chose, enforce the terms of the contract. It ought to be clearly understood that this Pacific Railway contract is not of that nature. There are, as we have pointed out, numberless loopholes which might be made available as a way of escape. Unforeseen difficulties and embarrassments may arise which it need not be expected the Company will feel itself bound to shoulder; no doubt ready means will be found by the clauses providing for arbitration for foisting all such matters upon the country. While, therefore, there are two distinct parties to this agreement—a Company and a Government—it would be a great mistake to assume at the outset that the Dominion has this job disposed of by the payment of \$30,000,000 subsidy and 50,000,000 acres of land. On the contrary, as the matter at present stands, the Railway Company may be looked upon rather as the agents and appointees of the Government—the instruments by which the will of the country is to be carried out. It

is as well that this should be clearly understood in order that there may be no unnecessary misapprehension as to the relation that the Company sustains to the Government and the country.

The Manitoba section is the first to be undertaken and is to be completed by the 31st Dec., 1874. There should be no difficulty in carrying out this part of the contract. A sufficient evidence of the determination of the Government to open up railway communication with Manitoba at the earliest moment practicable is the clause requiring the construction of the Lake Superior section and such portion of the main line as will secure connection with Red River by the 31st December, 1876. Two years are allowed within which to commence the work at the Pacific Ocean on the west and in the Province of Manitoba on the east, building in both cases toward the Rocky Mountains.

In the matter of the land grants the Government are pretty well tied up; but in this as well as in other respects the interests of the Company and the Government are homogeneous, and concurrent.

For financing the enterprise the chief reliance will be upon the sale of bonds. The degree of success that will attend the floating of these bonds, will depend almost wholly upon the judgment and skill shown in dealing with them. The security is adequate; but any attempt to sell before there is a near prospect of the lands being opened for settlement, and the Company's assets, now existing or to be created, rendered productive would involve a sacrifice if not failure. There can be no doubt, however, that the President of the Company is well qualified to judge of these matters, and we do not apprehend that he will fall into the error just pointed out.

A great addition to the patronage of the Government must be one result of entering upon this contract, and this advantage, if shrewdly used, may be expected to strengthen the power of the Executive with Parliament and the country. The Company will also be a great power—next to that of the Government itself. It will have the destinies of the country in its own hands to an important extent for a good while to come. Its operations will, therefore, be an object of great public interest. Its dealings with the Government and with the important trust confided to its care ought to and must engross a large measure of public attention for the next decade.

HURON AND ERIE SAVINGS AND LOAN SOCIETY.

This is one of the most prosperous and firmly established of our building societies.

The transactions of the past year as shown in the report were large and profitable. A reserve fund amounting to \$73,000 has been set aside, which is equal to about 17 per cent of the paid up capital. A portion of the year's profits was exceptional, being derived from the sale of new stock, or so large an amount as \$20,000 could not have been added to the reserve in a single year. The different sources of profit, distinguishing between the amount realized from each, may be seen by reference to the full and clear statements elsewhere. The Huron and Erie has to meet the competition of several societies of mushroom growth all round it, but it can without doubt more than maintain its present leading position, being established on a sound basis and claiming not imaginary wealth obtained by a financial fiction, but possessing a large fund of solid assets accumulated in the regular course of business—the only way in which it is possible for such a society to really make money.

FIRES.

The past has been a week of fires in the country towns. There were two in Barrie, a third in Uxbridge, a fourth in Goderich, a fifth in Orangeville, and a number of small ones in various parts of the country—all within about ten days. A large amount of property, in the aggregate, has been destroyed, causing a good deal of anxiety to the wholesale trade and to the insurance companies. Incendiarism is freely talked of in connection with some of these conflagrations. Owing to the coldness of the weather and the want of any suitable provisions for extinguishing fires the flames are certain to spread when they break out amongst the wooden structures of which these towns are chiefly composed. As matters look at present fire insurance rates were not advanced a moment too soon; and it is doubtful if the increase of premium will prevent a recurrence of a deficit on the aggregate business of the companies for the current year. Under the circumstances the companies should adhere firmly to full rates as their only safety.

CANADA PERMANENT BUILDING SOCIETY.

The results shown in the annual report of this society would be surprising did we not remember that they are the fruit of twenty years' steady growth. They show what a close adherence to sound rules, painstaking care and intelligent supervision may accomplish. The President, Mr. Jos. D. Ridout, and Mr. J. H. Mason, the Secre-