

place ourselves on the straight line of National Policy, and if National Policy be in essence to either political party, then we must that party must agree to do that. We take our stand upon a principle—upon an idea—and that idea and that principle we mean to adhere to, whatever be the fortunes of the opposing political parties. We hesitate not to say, then, plumply and plainly, that the principle for which we contend is violated when a national railway is handed over to an individual or a company, or entrusted to any other hands than those of the State. But we have already said, it is the duty of the Government of the day for it, seeing that the Opposition stands equally committed to the same thing. Both merely reflect the prevailing public opinion, and in this matter public opinion in Canada has been grievously led astray. The real evil agency, which has done the mischief amongst us, is the English Free Trade literature of the last fifty years. All through books, and reviews, and newspapers innumerable, runs the pernicious idea that Government should do nothing for the people in the way of helping trade, transportation (canals excepted), manufactures, and such like; and that the best thing Government can do for manufactures and commerce is to let them severely alone, as far as possible. This doctrine has been crammed into us ever since we left school, from a thousand openings our minds have been drenched and deluged with Free Trade opinions, sent to us ready-made from England; and scarcely have we been allowed the opportunity of forming any opinion of our own at all. The minds of our public men and leaders of opinion, in particular, have been so saturated with English Free Trade views of the proper sphere and duties of Government, that it seems almost a marvel that we were actually able to think for ourselves on the question of Protection. We did manage to get that length, with an effort; but to realize that Government ownership of all railways and telegraphs is necessarily and truly a part and parcel of National Policy is a step beyond, which we have yet to make. We shall make it after a while, of that let no man doubt, witness the Toronto Globe's declaration the other day, apropos of the pending telegraph combination in the United States, that after all a Government monopoly of telegraphs may be the least of two evils. Meantime, however, the weight of English Free Trade opinion still lies heavily upon the Canadian mind, as far as the right and duty of the Commonwealth to own and control railways is concerned; and thus it happens that, when our great national railway is to be built, the first thought with the majority of us is that a company must have the job. As a people we are not yet advanced far enough—we have not yet amongst us enlightened, independent public opinion enough—to sustain the demand for building and keeping this railway as a national work, the property of no individual or company, but of the Commonwealth. We shall get our enlightenment by-and-by, but we shall have to pay for it: *experientia docet*, but the fees are heavy in that school. Meantime we are still, as regards railway policy, the slavish followers of English Free Trade opinion, having really none of our own, and the result is that our great railway is handed over to a company, instead of being built and owned, as it should be, by the State. There are just two things that may in part make amends for the present violation of the principle of National Policy, rendered inevitable by the backward state of public opinion in Canada, on the question as to the whole functions and duty of Government, and the indefeasible rights of the Commonwealth, as against all corporations, present and to come. One is the fact that American railway companies have been very successful in bringing settlers into the sections through which their lines run, in the Western States, from which it may be argued that a Canadian company ought to be able to achieve a like success on our side of the border. That the American companies have been and still are in downright earnest in the work of filling up the country is beyond question; in fact their extraordinary zeal and industry in this work has been given as the principal reason why so many emigrants have been attracted to the States instead of to British territory. If, in the business of bringing in settlers, and keeping them, the Canadian company can match the American companies, then something may be said for the company system after all; and this much we are willing to concede. The second is a far more serious consideration, the full importance of which it will take time to develop. It is one of the fundamental principles of common law, that the acceptance, by one party, of extraordinary endowments or extraordinary privileges conferred by another party, carries with it corresponding obligations and duties. The more clearly it is made to appear that the Canadian Pacific Company is to enjoy a large monopoly, conferred upon it by the State, the more clearly, all the same, is the Company shown to be the creature of the State, held and firmly bound to do the State some service—nay, to do the State the very best service it is capable of. To compare this with an instance of another kind—the Commonwealth of the Dominion can claim but slight control over the Canada Southern Railway, for example—but the claim for control over the Canadian Pacific, a railway created and endowed by the State for national purposes, is strong, far more high, and permanent. The rights of the Commonwealth cannot lapse from non-user, as the lawyers say; and, as Judge Black has laid down with great force, these rights are absolutely indefeasible—they cannot be conveyed away or surrendered by the wording of any charter or statute whatsoever. Prove that the company is a gigantic monopoly, created by the State and

endowed with extraordinary privileges, and what follows? This, namely, that the Company has, so to speak, taken the Queen's shilling, has donned the Queen's uniform, and is held to the Queen's service. For the Crown, put the Dominion of Canada, and you have the case before you. No charter or statute, we say, how minutely severer it may be worded, can do away with the broad principle of special obligation and duty of service, arising out of special creation and endowment by the State, for a special purpose, the said special purpose being the essence of the contract. As public opinion and the interpretation from the Bench of the common law are now going, and are likely still more decidedly to go—in both England and America—we may hope that the rights of the Commonwealth will be maintained after all, and that, in spite of forebodings to the contrary, the country is still safe.

**THE NEW SYNDICATE.**

About ten days ago rumours were current that a new Syndicate for the construction of the Pacific Railway had been formed. They turned out to be accurate. On Friday of last week their proposals were laid before the Government. Mr. BLAKE interrogated the Minister of Railways on the subject in the afternoon, he replying that a document purporting to contain new proposals had been received, but he had not had time to read it. The Opposition in Parliament urged delay in the discussion of the agreement made between the Government and the first Syndicate for the purpose of permitting the consideration of the new proposal, which they contended it would be in the interest of the country to accept. Government speakers, however, took the ground that the action of the new Syndicate was the outgrowth of a political movement, the object of which was to embarrass the Administration, and some strong condemnatory language was used. It was contended that the gentlemen who form the company should have taken advantage of the opportunities previously afforded them to tender for the work; but they had not moved until they found out that there was a strong probability of Parliament ratifying the contract before it. The proposals of the new Syndicate are mainly as follows:—A cash subsidy of \$22,000,000; land subsidy of 22,000,000 acres of land; no duty exemptions, no exemptions from taxation; no special privileges in the matter of constructing branch lines; the abandonment of the Eastern section, and the adoption in its stead of the Sault Ste. Marie line for \$12,000 a mile bonus, the Government to have the option of postponing the construction of the Western section and of the Central section. Several of the proposals being in direct hostility to the Government, of course this offer could not be entertained. The speech delivered by Sir JOHN A. MACDONALD in the House of Commons on Monday afternoon, set at rest speculation in regard to the intentions of the Government. It is the intention of the Government to carry out the engagement entered into with the original Syndicate, provided it be ratified by Parliament. In his speech Sir John characterized the new movement as a political dodge and a "farce." On the other hand, the Opposition maintain that the proposals were made in good faith. The announcement of Sir John will end in the breaking up of the new Syndicate. The gentlemen who compose it are: W. P. HOWLAND, A. R. McMARTIN, H. H. COOK, Toronto; JAMES McLEARY, Buckingham; WM. HENRIE, JOHN STUART, Hamilton; JOHN WALKER, DANIEL McFIZ, London; SAMUEL CHAPMAN, Brantford; JOHN PROCTOR, Hamilton; P. B. STEPHENSON, Montreal; A. T. LORD, Hamilton; A. L. ROSS, Winnipeg; O. A. COX, Peterborough; P. HOWLAND, Toronto; P. LARSEN, St. Catharines; ALLAN GILMORE, Ottawa; JOHN CARRUTHERS, Kingston; W. D. LOVETT, Yarmouth, N. S.; ALEX. GIBSON, Fredericton; N. B. DAIRD & McKAY, Pembroke, solicitor, JOHN LEYER, Toronto.

**A GIGANTIC TELEGRAPH MONOPOLY.**

If what is stated in one of the latest New York despatches be true, it is highly probable that the American people will be anxious ere long to follow England's example, and make all telegraph lines the property of the Government—that is, of the nation. At present telegraph business in the United States is divided between three companies—the Western Union, the American Union, and the Atlantic and Pacific—the first named having, however, the lion's share of the whole. The Western Union and the American Union have been at war for years, and there have even been on occasions contests of physical force between their respective workmen when engaged in putting up new wires. As happens not unfrequently in such cases, after fierce competition comes amalgamation; and it is said that the latter is now virtually effected. A preliminary agreement, so the despatch says, has been signed by VANDEBILT and others, representing the Western Union and the Atlantic and Pacific and by JAY GOULD and others, representing the American Union. The respective business magnitudes of the three contracting companies is indicated by the agreement that of the consolidated company's stock shareholders of the Western Union are to receive 60 per cent.; those of the American Union 20 per cent.; and those of the Atlantic and Pacific 12 per cent. A new Board of Directors is to be chosen at an early day, the understanding being that while Western Union Directors will be in the majority, some of them now in office will resign in order to make room for GOULD and a certain

number of his friends. Another despatch puts the capital stock of the new company at \$30,000,000, of which the Western Union takes \$20,000,000, the American Union \$10,000,000, and the Atlantic and Pacific \$1,000,000. The present capital of these companies taking them in the order named, is \$4,000,000, \$10,000,000 and \$15,000,000 respectively. JAY GOULD is credited with having recently secured control of Western Union stock at about 85, and the other day it was selling in New York at from 65 to 100. It is said that by his operations in this and American Union stock together his profits will net him some \$25,000,000 or \$30,000,000. That we take leave to say, is more than any Canadian Pacific Railway Syndicate is likely to make in a quarter of a century or thereabouts, but JAY GOULD has made all this "big pile" in a few months. He is now unquestionably the king of American speculators, and VANDERBILT will have to come after him, not before him. The following portion of the same despatch will be read with interest in Canada:—"JAY GOULD also controls some \$300,000 or \$400,000 of Dominion Telegraph Company's stock, which cost him 85; he also has a lease of this company's lines at 5 per cent. for 25 years. As the Dominion Telegraph Company will be part and parcel of the new combination, all the United States and cable business they control may possibly be sent over the company's lines." It is said that the directors of the new company will shortly take into consideration the project of a new cable. Provision will be made for closing up several competing offices in the principal cities, it is mentioned, and in many other places besides, we think it may be added. The spectacle of one gigantic company controlling the whole telegraph business of a nation of fifty million people is not exactly what we would wish to see, but it appears that to this complexion it has come at last.

**A BEET SUGAR ENTERPRISE ABANDONED.**

It appears that the Beet Sugar Company of Portland, Maine, has ceased operations, and is now removing its machinery. The farmers found they could make nothing on raising beets to be delivered at the factory at \$5 per ton, the company could not afford to give any more, and so the experiment has come to an end. It is likely enough that many people will jump to the conclusion that, as the beet sugar experiment has failed in Maine, no better result need be looked for in the Province of Quebec; and it will be prophesied that the enterprising Frenchmen who are erecting or preparing to erect factories in Canada will surely come to grief. But there are some important points of difference between the two cases. The Canadian factories will have to begin with the advantages of being handled by thoroughly practical men of experience in the beet sugar manufacture in Europe—men who know all that is known anywhere about the various processes. They will take from the beets the last fraction of one per cent. yield of sugar that the skill of the present day is able to extract from them. Next, the soil of those portions of the Province where the raising of beets is to be entered upon, is far more fertile than any part of the State of Maine, which is on the whole rugged and comparatively barren. Between the mountain region of Vermont and New Hampshire to the south, and the St. Lawrence to the north, are many fertile valleys, through which the water runs towards the great river, and where a soil is found far superior to that of the country on the other side of the line, lying next to the mountains, and to the south. Further, the French *habitants* are willing to work, and do work, at home, for low wages, though when away from home they of course ask and obtain current rates. We feel quite sure that the French people of Berthier, for instance, will be able to live comfortably, there, on the proceeds of beets delivered at the factory at a price on which Maine farmers would scarcely be able to live at all. The French farmers can raise and deliver beets cheaper than the Maine farmers can, and the French operators can take more sugar out of a ton of beets than has been done by any Americans who have tried it, so that the Quebec experiment has two important advantages in its favor. We see no reason, therefore, why the failure of the Portland factory should at all discourage the enterprising men who are now trying to develop this new industry in the Province of Quebec.

**THE "ANTI-BRITISH" TARIFF.**

We may wonder what is now passing in the minds of those old country manufacturers who have denounced the Canadian tariff on the ground that it would shut this market against British goods. That is to say—if they have read the official returns of exports from the United Kingdom recently, as we suppose most of them have. The returns referred to embrace eleven months of the year 1880, up to the close of November, making comparison with the corresponding period in 1879. The result must be rather astonishing to denouncers of our tariff as an "anti-British" one on both sides of the Atlantic. Taking a number of leading articles supplied to us from Britain, including textile goods of all kinds, iron, other metals and hardware of all kinds, also earthenware, coal oil, salt, spirits, sugar and stationery, the export to Canada was for the eleven months of 1880 £4,822,897 sterling, against only £3,501,251 for the same period in 1879—showing an increase of £1,261,746, or 32 per cent. It is particularly worth while to look at the exact figures, both quantities

and values, for textile fabrics as the new duties on these classes of goods were more severely applied in England than any other portions of our tariff.

	1879	1880
Carpeted	1,872,000	1,872,000
Woolen and worsted manufactures	1,571,000	1,571,000
Cotton goods	1,000,000	1,000,000
Linen goods	1,000,000	1,000,000

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It may be said, what good does all this do us, if our imports increase, thereby sending more money out of the country? The question has been answered at length before, and we may refer to it again. At present we will say merely that protectionists are well satisfied to see home industries flourishing, whether imports increase or decrease. That our home industries are flourishing under the new tariff we know for a fact; the thing is open to everybody who has eyes to see. English Free Traders ought to be satisfied, too, seeing that according to their own doctrine, we, the consumers pay all the duties on what we buy from them. It is still that does not hinder us from increasing our purchases. We suggest that English manufacturers meet in Council and pass resolutions eulogizing the highly satisfactory working of the new Canadian tariff!

**EXHAUSTING THE SOIL.**

During some years past the large and annually increasing export of wheat from California has been a matter of wonder to people at a distance, but now it seems that the turn of the tide has come. In a recent issue of the San Francisco Post it is stated to be an open secret that the wheat raised on some of the great farms of California is rapidly deteriorating in quality, and that if the process of impoverishing the land goes on much longer there will be a marked difference in the price between wheat of old and new lands. Diversified farming, says the Post, can slow or arrest this process, and this is possible only on small farms or on farms owned by men of large ready means. Though not stated in the extract before us, the reasons for the distinction may be supplied as follows. The fertility of the soil may be sustained either by a proper rotation of crops, or by the liberal use of fertilizers, natural or artificial. Rotation of crops, or diversified farming, means green crops in sufficient proportion, and green crops involve much extra labor, in great part by hand. Enough of this extra labor may be obtained for small farms, but to get enough of it for the large farms of California would require a social revolution. For a large farm the only available means is, the liberal use of artificial fertilizers—artificial, we say, inasmuch as collect enough manure for the purpose is out of the question. But artificial fertilizers cost heavily per acre of money, and hence, only men of large ready means can resort to them on the large scale which would be necessary. Commenting on this item in a news from California, Mr. E. H. WALKER, a statistician, of the New York Produce Exchange, says that need create no alarm as to the export of wheat from the country at large. There would be a fall of 10 per cent. in the quality of California wheat, but not so much in quantity. On which we would remark, should the deterioration in quality be the sure precursor of a tremendous falling off in quantity too, which would follow ere many more seasons have rolled around. Of more interest in Canada is what Mr. WALKER says with regard to continuous wheat cropping in the North-Western States. He says that there the growth of wheat year after year, on the same soil, persevered in, without anything added to renew its fertility, and this can go on for only a limited period of time. In the New England States, also, in the State of New York, wheat was fairly run out of the soil by reckless cropping; but in the latter State, or some parts of it, the soil's fertility has since been recovered in great measure under a better system. Still, to show how serious a matter this exhaustion of the soil by wheat is, Mr. WALKER states that in Oneida County, N. Y., and other parts of the State, where once thirty bushels per acre was the average yield only from twelve to fourteen bushels are now obtained. These statistics should draw increased attention to the treasures of future fertility which Canada possesses, the Ottawa district especially—as the shape of phosphate deposits which are believed to be practically inexhaustible. We have the "stuff" at our doors, as it were, but so far our farmers seem to be backward in using it. It might be well were the Provincial Agricultural Associations, and perhaps the Provincial Governments too, to take the matter in hand, and do something to stir up the minds of the agricultural community with regard to it.

According to the annual report of the Government Directors, the gross earnings of the Union Pacific Railway last year were \$25,000. The land department is shown to be in good condition. During the year 162,018.41 acres were sold at an average price per acre of \$4.82, and in average lots of 92 acres. The departments' collections greatly exceeded those of any previous year, and it has turned in \$478,000 to the company. Its expenses, materially increased by extensive advertising and a generally liberal system aggregated \$30,108.60.