

and the future looks bright enough, if—. And there is one point especially worthy of consideration. If the Japanese Government aspire to take and keep a position in the front rank of the belligerent powers, it will not be many years before the Japanese budget may become little else but an army and navy account book.

LOCOMOTIVE AND STEAMSHIP.

The numerous rumours in transportation circles leads one to consider the present Canadian situation. Three big railroads, with the Grand Trunk Pacific in course of construction; the Canadian Pacific, the Dominion and the Allan Companies giving an Atlantic service—there it is. Communication between the Far East and the Dominion's Pacific coast is not neglected; and as a sort of rope-in is the proposed All-red route.

Less than forty years ago the mileage of operating railroads in Canada was not three thousand; this year it amounts to well over twenty thousand. The gross earnings then were not fifteen million dollars; now they are not far from the one hundred and fifty million dollar mark. The rate of progress in the future naturally cannot be as rapid as in the past, although the Statistical Department at Ottawa fifty years hence will have to write many more figures than appear in their returns at present. Without population the railroad is of little avail; with it, the hub of the universe. A nation follows the tracks, and it does not stay far behind the construction gang. All these thoughts arise from the rumour that the Canadian Pacific will build another trans-continental road. The double tracking of their main line from the Atlantic to the Pacific is but a matter of time; but the hour for a second Grand Trunk Pacific does not seem to have come yet.

The past few decades in Canada have afforded some surprises in the matter of national growth, but to predict what will run in the Canadian Pacific directorial mind half a century hence is beyond him who loves not the honors of the prophet.

Upon the Atlantic ocean highway, the last word in Canadian transportation has not been uttered. The announcement that the White Star and Dominion companies will run a joint service to Canadian ports is not wonderful. Who knows but that in the days to come the St. Lawrence route will require the serious consideration of men who now imagine New York is the be-all and end-all of Atlantic transportation.

The various railroad and steamship rumours whispered from one to another prove that talk of the All-red route has done at least one thing. The directors of various companies are piqued to discussion. They feel that if someone does not do something somebody else will.

TO THE PRIVY COUNCIL.

When it was announced that Mr. Plummer and Mr. Ross were to confer, the country became expectant. The prospect of peace negotiations, before the actual conclusion of warfare, always appeals to the imagination. The possibility of the famous Steel-Coal controversy being settled before reaching the final battleground was, therefore, regarded with interest. Those who know the two gentlemen directing the destinies of the Steel and Coal companies, respectively, know that both have iron wills. In the present instance, Mr. Plummer's may be an iron and steel will. Convinced that his cause is right, Mr. Ross apparently thinks likewise. Anyway, the course of legal negotiations might lead some to believe so.

Let it be admitted that Canada would be glad to see the dispute settled without final appeal to the Privy Council. When the disputants were closeted in William Mackenzie's office, the Press assumed one of two posi-

tions. It pictured the Canadian Northern magnate's sanctum as a dovecot with PAX inscribed over the entrance. Otherwise, it borrowed the robes of Mrs. Grundy, preaching sermons upon the wickedness of the bold, bad Plummer and the naughty little Ross for refusing to come down to the ultra-convivial plane. Until the two gentlemen had met in Toronto, most of the negotiations had been carried on through the medium of pen and ink and few interviews. At their Toronto meetings, the numerous technical points were threshed out.

Mr. Plummer, maintaining his position that any settlement must be on the basis that the companies' contract is inviolable, naturally minimised the prospects of peace. It was tantamount to a manifesto that if Mr. Ross would admit the Steel Company right, instead of allowing the Privy Council to decide that point one way or the other, real pacific business might then be commenced. There has been obstinacy on both sides, but obstinacy is not always a vice. The public are divided as to which man has right with him.

A few days ago a statement from Mr. Ross appeared in the daily press. This Mr. Plummer describes as utterly misleading. On Tuesday, Mr. Plummer appeared in print, saying that the Coal Company's attitude during the conferences made further discussion useless. This is almost as Steadistic a termination of the Steel-Coal conferences as was the aftermath of the Hague peace conference.

Unless something altogether unforeseen occurs before July, the decisions of the two Canadian courts will be confirmed or reversed by the Privy Council. The controversy is regrettable. If the London legal luminaries have to give their decision, it may be in order then to preach upon the lack of foresight and the idiocy of stubbornness.

GRAND TRUNK CRITICS.

Although the dividend outlook for certain classes of Grand Trunk shareholders is not bright, it would seem that bemoaning the decreased earnings is not a timely exercise. If one seriously took to heart the complaints, more especially of English stockholders, it would be easy to imagine Grand Trunk officials standing alongside railroad tracks, delirious with glee at sight of a procession of empty Grand Trunk cars. No fair-minded person desires to stifle criticism; but the critics of this particular railroad's management have gone as far as possible without becoming childish.

Probably the best exhibition of real commonsense exhibited by British shareholders has been the visit here of a deputation of five. They are travelling through the country, sizing up for themselves Grand Trunk conditions, prospects and possibilities. But here again is a fear that they may become impressed with particular points visited, losing sight of the relation of one to another. It is easy to travel from New York to Toronto, Toronto to Montreal, thence to Winnipeg, and finally to Vancouver, gathering ideas and impressions of each. But it takes more than a flying visit to arrive at correct conclusions concerning the relations of the Pacific coast and Eastern Canada, the interdependence of the wheat fields and the factory, the influence of New York upon the Dominion.

There is a tendency, on the part of certain critics, many of whom probably know Canada only in the guide book, to brush aside the trying times through which the Dominion has passed, and to cold douche the directorate with buckets of blame. The Grand Trunk is not the only road experiencing lean days. The statements issued by companies on both sides of the international boundary tell the same story.

This time last year were heard the dying echoes of a car shortage—the result of an abundant crop in 1906. Now the axle is on the other wheel. A cry arises for