

It is exceedingly gratifying to find that the Czar has conceded a full political amnesty. This will tend greatly to pacify the country.

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A WELCOME EXTENSION TO A LOCAL INDUSTRY.—The American Locomotive & Machine Company is reported to have completed plans for large extensions of its Canadian plant at Longue Pointe, near Montreal. The locomotive shops will have an increased capacity of 3 to 5 engines weekly.

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MR. J. J. HILL, AT WINNIPEG.—Mr. J. J. Hill, president of the Great Northern Railway, visited Winnipeg this week, where he received a warm reception by a large body of prominent citizens.

He addressed the Canadian Club in regard to the railway projects he had on hand, that would give connection between Winnipeg and the Coast before the Grand Trunk Pacific reached Winnipeg, that is by the fall of 1907. His intention was to make Winnipeg the headquarters of the Canadian roads. He would not invade Eastern Canada, but would use the Canadian Pacific and Grand Trunk Pacific. His lines would be in a position to forward freight over the first trains run eastward by the Grand Trunk Pacific.

It is evident that the latter road west of Winnipeg is to be subject to lively competition from the Great Northern when it is completed from Winnipeg to the Coast, as the two lines will practically serve the same territory. As the Great Northern will, as Mr. Hill says, be dependent upon the Canadian Pacific and Grand Trunk Pacific for transportation of freight collected west of Winnipeg those lines will hold the whip hand as regards accommodation and rates, which will develop probably a combination that will not be favourable to Mr. Hill's line through the Northwest. It is now certain that Canada will have three railways running in 1907 between Winnipeg to the Pacific Coast.

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WILL THE HILL SYSTEM OF ROADS DIVERT FREIGHT TO UNITED STATES CHANNELS.—Whether the system of railways when completed, which are known as the "J. J. Hill Roads," will divert Canadian freight from Canada's national lines of transportation to American channels is a serious problem, but one that will be solved without any material damage to Canadian interests. The great railway magnate freely admits that the most economical routes for grain and other products en route to Europe from the Northwest are over Canadian waters and territory. The two transcontinental lines give, or will give direct connection between the Northwest and the seaboard, and the waterway through the great lakes, canals, and upper St. Lawrence will continue to be a feeder for a continuous service of ocean steamers between this port and Liverpool. The best judges of the ex-

isting and future situation see no reason to fear the diversion of ocean-bound Northwest freight from Canadian to American channels.

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AN ELECTIVE SCHOOL BOARD.—We are gratified to learn that Archbishop Bruchesi takes the same stand as the School Commissioners in his Grace's opposition to School Boards being chosen by popular election. Let well enough alone, is a good motto. The system has worked remarkably well; the results have been on the whole satisfactory, from an educational standpoint, and the citizens have representation on the Board in members of the City Council, so there is no reason for throwing the system into confusion and risking a far less efficient one being established by popular election. The only members to whom this might apply would be the Commissioners appointed by the City Council.

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THE FINANCIAL SITUATION IN NEW YORK.—As we declared two weeks ago the monetary flurry in New York had no real cause. Money was then ruling for call loans at from 10 to 20 p.c., whereas to-day it is at 3 to 4 p.c. There has been no such supply of funds provided from outside sources as would account for the value of money falling to one-third or one-fifth in a few days. The very suddenness and extent of the decline in rates point to their having been held up artificially, as they no doubt were by the manipulation of bulls and bears. While they are playing their games the public at large, over the whole country, are being alarmed and induced to sacrifice property to extent of millions of dollars.

It is high time this squeezing system were stopped. When one considers the exceedingly great injury done by these artificial flurries, it is surprising to find that financial institutions, some unintentionally perhaps, are the backers of those who are engaged in manipulating the money market for their private purposes. The New York money market needs some element introducing into its conditions that would give reasonable stability and steadiness to the business of loaning on securities.

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SETTLEMENT OF SAN FRANCISCO LOSSES.—Reports from San Francisco are to the effect that, "the insurance companies will settle their losses in their own way, each company acting for itself according to the contracts embodied in its policies, and the fire underwriters' adjusting bureau will make no attempt to dictate a general policy to be observed in the settlement of claims, according to a statement made yesterday by Attorney T. C. Coogan, who is legal adviser to the adjusting bureau. The bureau will act merely as a board of appraisers and only report on the losses sustained. Mr. Coogan added: