

13,000,000 acres of arable land, and the Premier referring to this region said there are besides 3,000,000,000 feet of pine and an unlimited quantity of spruce.

GOVERNMENT OWNERSHIP OF RAILWAYS.

Government ownership of railways has passed from theory to practice in the Province of Manitoba, with what result the future will tell. The Government acquires from the Northern Pacific Railway Company 354.45 miles of railway on a lease of 99 years, which can be converted into a purchase at the end of 30 years, at the option of the lessee, the price to be \$7,000,000. It is admitted that the road did not cost that amount, but what is the amount of water, Premier Roblin, in his speech recounting the transaction, does not tell. Mr. Roblin believes the roads could now be built for a less sum; but the advantage of getting a developed line he counts for the difference of cost.

Mr. Shaughnessy, on behalf of the Canadian Pacific, made two different propositions to the province, including a reduction in rates. The last proposition, Mr. Shaughnessy says, all the members of the Manitoba Government admitted "to be the best in the interests of the province;" but the question of its acceptance or rejection was submitted to a caucus of members supporting the Government and they rejected it. Whatever was done in a matter of such great importance ought to have been done by the Legislature, and not by a mere party caucus. The result would have been the same, but the conclusion, if come to by the Legislature, would have had a higher sanction. The truth is the C.P.R. has become so unpopular that the party which is now uppermost in the province and which represents with great fidelity the feeling of a great majority of the population, rejects an offer from it admitted to be more advantageous than the one accepted, if Mr. Shaughnessy reports the facts correctly. This unpopularity is in part well earned; in part it probably exceeds the limits of justification.

Having leased the roads with a right of purchase, the Manitoba Government turns round, transfers the lease to Mackenzie & Mann, retaining of course the responsibility. This bargain goes along with another, by which the Government undertakes to guarantee the bonds of the Northern Canadian Railway, belonging to Mackenzie & Mann, to the extent of \$20,000 a mile for 290 miles. Here we have probably an explanation of the lease by the parties who are to get the guarantee. What is the character of the risk run by the guarantors it is not now possible to judge with accuracy. The Government obtains by agreement the right to fix the rates on the Canadian Northern Railway, on a total distance of 1,022 miles. The Premier tells the Legislature that they can make any rates they please; but he also properly reminds them that if the roads be run at a loss the province will have to make up the difference.

The Canadian Northern, the Premier tells us will be pushed on to the Pacific, and the prophesy may some day be realized. But the means of accomplishing this feat are not yet in sight. The possibility of this is evidently creating alarm in the management of the C. P. R. Co. Mr. Shaughnessy hints that any Government, Dominion or Provincial, which grants subsidies to a rival line will be wanting in "common honesty." This is a hard word to come from the president of a company to which the Dominion contributed, in bonds and money, nearly as much capital, he claims, as private parties put into it, for which princely contribution the country gets no return in dividends, but takes its share in the form of indirect advantages, which are undoubtedly great. The right to

make future subsidies must be maintained, even if the policy be condemned as unsound.

As to the character of the railway undertakings into which the Government of Manitoba has entered, in a commercial point of view, very different opinions are expressed. Mr. Roblin asserts, in the most positive way, that the Northern Pacific, meaning presumably the part which is in Manitoba, "is certainly a money making concern," and he quoted statistics to prove the assertion. Mr. Shaughnessy, on the contrary, points out that the sworn returns to the Dominion Government show that "the lines of the Northern Pacific Railway in Manitoba were operated last year at a loss of \$185,573.21, apart entirely from the interest on the bonds." He adds that "the company cannot hope to more than pay operating expenses for years to come," and that "Manitoba must pay out annually for rental and interest a sum of \$682,000," which approaches the present gross revenue of the province, without any claim against or hope of recovery from the company." It follows that either the returns of the Northern Pacific Railway Company to the Dominion Government are false, or else that the Premier of Manitoba is acting under a fatal delusion. Another railway man, Mr. Hugh Sutherland of the Great Northern Railway, is credited with having stated on Tuesday that the Northern Pacific lines in Canada earned last year \$400,000 gross, which he says means nearly \$200,000 net. He therefore contradicts Mr. Shaughnessy. It is a curious fact that a party caucus of the Legislature of Manitoba refused to have any dealings with the C.P.R., the Premier of the province, accepting the rule of the caucus, speaks in the highest terms of the C.P.R., crediting it with having "shown a spirit of liberality, a desire to meet the demands of public opinion, which has been surprising to me and which justifies the statement that they [the company] are anxious to concede to the people whatever may be reasonable and fair to allay agitation and restore confidence." In this state of things it is impossible not to wonder at the complacency with which the Government surrendered to the party caucus. In so surrendering it met the devil more than half way, and abdicated without a struggle its responsibility. Let us hope the result of the experiment of Government ownership of railways in Manitoba will be better than the mode of initiation.

Criticisms of the bargain with Mackenzie & Mann are made by the business men of Winnipeg; especially on the ground that the contract as drafted does not adequately protect the interests of the province. The objections are skilfully marshalled, and the authors display great knowledge of railway management; their protest tends to create the impression that the interests of Mackenzie & Mann were more considered than those of Manitoba. The document is signed by a number of prominent business men.

CLEANLINESS AND TASTE, INDOORS AND OUT.

During the past week there have reached this office two copies of an account of the meeting and report of the Goderich Board of Trade. One in a marked number of the Goderich Star, the other a clipping apparently from that paper, enclosed in an envelope and referring to certain underscored remarks of the president of the board on that occasion, in these terms: "Vide MONETARY TIMES, article 'Real Estate and Art,' 28th December." If the meaning of our anonymous correspondent be to suggest that the Christmas Paper named from our columns gave Mr. Williams the idea of saying what he did in his presi-