

funds it may be instructive to notice the effect which this failure, on the part of Manitoba, may have upon the provincial credit, as well as upon the credit of the whole Dominion. Is it not a disgraceful thing that a province of free-born British subjects, wanting a paltry few hundred thousand dollars, cannot raise that amount on its credit? It will be said of course that there was doubt of the strict legality of the bonds it was proposed to issue. But this could easily have been got over by an undertaking to issue securities which should comply with the letter of the law in every respect. If the Dominion of Canada wanted money, would the people be satisfied that failures should be recorded because of some technical defect of this kind? There may be reason, and there doubtless is reason, from the point of view of many good men deeply interested in Manitoba's prosperity, to be glad that the money was not raised and that work on the road has been suspended. But there could not have been a more unsatisfactory ending of this dispute. If there is a principle at stake it should be fought out to the end and decided on reasonable grounds. If there is no principle at stake and it is simply a question whether an existing road shall have a competitor, the putting of a province to shame for such an end as has been reached is not a desirable thing.

The latest effort to raise money has been by the issue of \$300,000 of bonds at par, to be taken up by the people of Winnipeg.

The following resolution of the Winnipeg city council explains the situation on this point up to a recent day:

Moved by Ald. Riley, seconded by Ald. A. Macdonald, "that in the event of a satisfactory assurance being obtained from the local government that the sale of the \$300,000 treasury bonds, now under offer, will enable them and that they will at once complete the R. R. V. R., and one half of the issue being already subscribed for by the public, this council would recommend to the trustees of the city sinking fund the advisability of purchasing \$150,000 of the bonds, and approve of the finance committee taking such steps as may be necessary to pay the amount due from the city to that fund, and that his worship the mayor, the mover and seconder be appointed to confer with a committee of citizens and others interested in building the said railroad and wait upon the government, with a view to obtaining the assurance above referred to.

It would be taken for granted by most people that it would be a simple matter to arrange with the government either for the taking or refusal of the bonds according as the "satisfactory assurance" required was given or otherwise. But, according to the *Manitoba Free Press* (hostile to the government), this is what took place after an appointment had been made by the government to meet the committee, at a time when the "results of other negotiations then pending would be known":

Friday, accordingly, Messrs. Ashdown and McDonald again returned to confer with the Ministers, when they found that Hon. Dr. Harrison had broken his appointment, and had fled to the country, Hon. Dr. Wilson had also disappeared, Mr. Norquay had taken the train east, the attorney-general was in the midst of hasty preparations to follow him, and Mr. La Riviere was not present at his office. A conference was therefore impossible, and Messrs. Ashdown and McDonald were thoroughly burked in the attempt to negotiate the purchase of the bonds.

This is a thoroughly wild western way of doing business. What our fellow citizens out there are going to do about it has not yet come out. It looks, however, as if all efforts to arrange for a resumption of the work this season would be unavailing, for the premier, Mr. Norquay, is at Quebec attending the Inter-Provincial Conference and nothing can be done in his absence.

In the meantime there have been hints and rumors and "authoritative statements" that this, that, and the other firm of contractors is ready to undertake the work in return for the bonds of the province. What truth there is in these allegations cannot be definitely ascertained. What the other negotiations are, of which the Ministers spoke, is also a mystery.

Those who contend for a principle in this question can have no feeling but one of disgust that the matter has ended as it has. Every point of difference which existed has been left as it was before, to be revived next season with all the accumulated bitterness of party and personal strife, senseless side issues and clap-trap appeals to sentiment and passion, while in the meantime public confidence is disturbed and a most unfortunate cause of disturbance left to add to the rancor of politics. There are certain plain questions to be asked and answered, all of which are fairly open to discussion and on none of which, in our

humble judgment, can any one, even the greatest lawyer or economist in the country, afford to dogmatize:

Has the Canadian Pacific Railway a legal right to monopoly in the North-West, including Manitoba according to the old boundary?

Is it in the interest of the country that the monopoly should be maintained by the Dominion Government?

Has the Dominion Government a constitutional right to disallow charters of railways to the boundary in "old" Manitoba?

Has the Province of Manitoba a constitutional right to charter railways to the boundary to connect with lines from the South?

However it may suit certain interests to have a settlement of these questions postponed, it is in the interest of the country at large, and especially of the great railway interest, to have them set at rest by appeal to the proper tribunal, whether it be court, parliament or people.

Doubt, misunderstanding and agitation are injurious, not helpful to railway interests.

THE GRAND TRUNK'S REPORT.

THE report of the Grand Trunk Railway for the year ending 30th June last is in every respect one calculated to give the greatest pleasure to the friends of the Company and of Canada. Greatly increased gross receipts accompanied by great economy and comparatively little increase in the working expenses leave a net revenue balance of no less than £553,353. The net traffic receipts are more than 25 per cent better than those of 1885, and almost ten per cent better than those of 1886. The net receipts would have been much larger but for the heavy expenses of snow clearing caused by the severe weather of the first two months of the year.

The results show the immense reservoirs of traffic and revenue upon which the Company can draw and give a good idea of the recuperative power of the enterprise. The prospect of a report for the current half year quite as satisfactory as this is exceedingly favorable, for there probably never was a time in the history of the road when the traffic has for so long a period been so heavy all over the system.