under new conditions ; freight rates must be lowered. The third item of the company's concessions, the grant of running powers to other companies, opens up a new vista in Canadian railroading. It is a new possibility, which, if it have any real value, will be chiefly in the direction of preventing the wasteful multiplication of competing roads.

No attempt, so far as we have noticed, has been made to get at an exact appraisement of the value of these concessions, and perhaps none is possible.. The substantial part of the pudding, so far as any recouping of the Government expenditure goes, is in the coal lands. But no immediate return that would meet the interest on the Government grant can reasonably be expected from this source. There will be a general advantage in the lowering of freight, which settlers at this end, and consumers at the other, will share. If the grant of running powers should prevent the waste of capital in construction, so far good, but in a country of so great depth there is at least one other mountain pass, that of the Peace river, which is so far away to the north that the Crow's Nest route could be of no service to the region in which it lies. For mineral purposes the Peace River Pass will, in all probability, one day be found valuable.

It would serve no useful purpose to compare or contrast the grant made by the present Government in aid of the Crow's Nest Pass railway with the aid which the late Government was to have given. There would have been in the latter case, a less sum involved in the absolute grant, a greater sum between the loan and the grant combined, for it seems there were to have been both. As the C. P. R. has repaid its former loans obtained from the Government, we must not assume that it would not have done so again. But no concessions from the company would have been obtained ; no coal lands would have been received, and freights would have remained the same,. One bargain may have been better than the other from one point of view, and the other may have been better from another point of view ; and either of them may have been popular or unpopular, may have been upheld or condemned for reasons apart from their real merits or demerits.

Once the reduction of freight rates are made, the former ones cannot be resumed. Does this mean also that they can never be reduced ? The agreement expressly states that the rates shall be " approved " by the Governor-in-Council, or by a Railway Commission, if one be appointed, and that they " shall at all times thereafter and from time to time be subject to revision and control in the manner aforesaid." Is the function of the Governor-in-Council to be confined to " approval " of the freight rates ? Who is to make the rates, the company or the Government, or its substitute a Railway Commission, or both combined ? Disputes on this point may arise. If it be decided that the Government has only the power of approval, it must also have the right of disapproval ; but it is doubtful whether it can make the rates. If it be meant that it should have the power of rate-making, the intention does not appear to have been fully and clearly expressed. Something is said about " control in the manner aforesaid," but it looks as if this could apply only to approval or disapproval, no other mode of control being mentioned.

When a government exercises the right to build a railway, its bounden duty is to take all reasonable precautions to ensure the success of the enterprise. The Intercolonial railway, which cost the country $50,000,000, has hitherto been handicapped by want of connection with the city of Montreal. This defect is to be remedied by arrangements which the Government has made with the Drummond County railway and the Grand Trunk company. From the former the Government has leased the line from St. Rosalie to Chaudiere Junction. This road is to be completed, and on the cost, $1,500,000, which the Government has tested by procuring an estimate, a sum equal to the interest at four per cent. per annum is to be paid. Besides this $54,000 a year, $12,000 a year is to go for certain accommodation which the Grand Trunk furnishes the Drummond County railway, and the latter in turn to the Government. After 99 years, the road will become nominal owner of the property of the Government, subject to a quit rent charge of $70,000 a year. It is a puzzle to see how the company can find capital to build a road and be able to lease it at rent equal to four per cent. on the outlay. The Government estimate of the cost, $1,600,000, did not include land damages. To the $64,000 payable as rent, is a farther item for land damages, to be added. If so, how is it to be arrived at ? If not, the puzzle remains: How can a railway company afford to take, in the form of rent, four per cent. on its capital outlay, unless a considerable amount of the capital comes in the shape of bonuses ? The explanation, in part, is that the Government had itself previously granted $297,000 to this road. To cross the river at Montreal, the Intercolonial will use the Victoria bridge, paying the Grand Trunk Railway company for the privilege $40,000 a year, and for terminals, in the city, $62,500; in all $145,000 a year. In one respect the Intercolonial will compete against the C.P.R. at a disadvantage, the latter being shorter by over 72 miles.

THE VICTORIAN JUBILEE.

Next Tuesday the Jubilee celebration of the sixtieth anniversary of the accession of Queen Victoria will be an event in the annals of the race. The reign, though not the longest in history, has been the most beneficent, the one in which all that makes for human happiness and advancement has shown the most marked progress. The changes in the British Empire within these sixty years have been from unrest at home and in the colonies to general peace and prosperity ; from distrust and rebellion in Canada to a mutual demand for closer relations between the colony and the metropolitan state. And the same is true of other colonies. This change has been wrought chiefly by bestowing on the colonies the right freely to govern themselves, even to the extent of making tariffs against the country on which they depend for external protection. Great Britain admitted nearly all our products free, while we taxed nearly all of hers.

At one time this policy was looked upon as a preparation for independence, and some impatience was felt in the Mother Country because the most important of the colonies was too slow in moving towards the realization of this idea. Now there is a strong current of reaction in favor of a United Empire in connec-