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TORONTO, CAN. FRIDAY, JUNE 6, 1873

## STRINGENT RAILWAY LAWS.

An act has been passed by the "General Assembly" of the State of Illinois relating to the management of railways in that State "to prevent extortion and unjust discrimination in the rates charged for freight and passengers" by railway. If this measure serve no other useful purpose it will at least be valuable as an experiment. After a trial it will be seen whether it be possible to tie up railway managers with unheard-of restrictions as to how they shall manage their lines, without checking railway progress and cutting down profits so as to render railway investments still more uninviting than they are now usually held to be.

The act in question prohibits railway companies from charging or receiving (1) for freight or passengers for any distance in the same direction, a greater sum than for a like service for a *greater* distance over the same line; (2) from receiving a greater rate for an *equal* distance in the same direction over the same line; (3) from charging a higher rate for receiving, handling or delivering freight at one point than at another; (4) from receiving a higher rate or amount from one person than from any other person for the receiving, handling or delivering of freight; (5) from receiving from one person a higher rate than from any other person for the transportation of freight from the same point in the same direction; (6) from receiving a higher rate for the use or hire of any railroad car from one person than from any other person for a like service. If any company charges

rates contrary to any of these six specifications—which, it will be observed, are very comprehensive—the fact shall be taken as *prima facie* evidence of the unjust discriminations prohibited, and the company offending will be liable to a fine of \$1,000 to \$5,000 for the first offence; not less than \$5,000 for the second offence; \$10,000 to \$20,000 for the third offence; and for every subsequent offence the company shall be liable to a fine of \$25,000. The party from whom such extortionate charges are received or collected has also his remedy. He may recover by any form of action three times the amount of damages sustained with costs. Certain officials known as Railroad and Warehouse Commissioners are required to personally investigate and ascertain, by visiting the various stations on the lines of railway for that purpose, whether the provisions of the act are being complied with; and if not it is their duty to cause suits to be commenced against the offenders, and to employ and pay the proper counsel for that purpose. But this supervision is nothing when compared with the fact that these Commissioners "are hereby directed to make for each railroad corporation doing business in the State a *schedule of maximum rates* for the carriage of passengers and freight;" and the schedule so fixed shall be deemed and taken as *prima facie* evidence that the rates therein are reasonable maximum rates. The act comes into force on the first of next month; but the schedules of rates do not take the full effect before the 15th January, 1874.

To say that the railway companies object to the foregoing is only to say that they have some regard for their own convenience and interests, and desire to retain the control and management of the property in which their money is invested. In fact such legislation would not be possible were it not that the law-makers of Illinois did not find the capital for these works, but merely desire to use them as they find most convenient. New York invested the money chiefly, and is a helpless if not tranquil spectator of these proceedings.

The companies will, of course, help themselves as best they may under the circumstances. An appointment was made for a conference on the 27th ult. between representatives of the companies and their now almost omnipotent masters, the Commissioners, to endeavor to arrive at some kind of an understanding. On the part of the railways their intentions are expressed in this way: They will not attempt openly to defy the law; on the contrary, all of them will endeavor to remedy their tariff schedules so as to make them conform to

the requirements of the law apparently, if not really. Some of them will make an honest attempt to shape their course according to the spirit as well as the letter of the law; some others will try to comply with the letter of the law in such a way as to violate the spirit of it, if any such way can be found.

2. There will be, upon a general average, no reduction in the tariffs. The companies are nearly, if not quite, unanimous in the declaration that the average of rates is as low now as it can be made upon a paying basis.

3. All discriminations will be abandoned, whether just or unjust, the disposition of the companies generally being to push the law in this direction to the extremity of its letter, rather than its spirit, in the expectation that it will thus be rendered unpopular. Many "way stations" will be gainers by this course, while terminal points will generally be losers. A scheme which may be called the hundredth-mile system is favorably regarded, and its adoption is thought to be probable. By this scheme every rate will be for one hundred or some multiple of one hundred miles, and no rate for any shorter distance will be made. To get the rate for the first one hundred miles, the average is taken of all the present rates within that distance; to get the rate for two hundred miles, the average is taken of all the present votes within two hundred miles, and so on. Thus it will be seen that some stations will get the benefit of a lower rate than the present, while others must submit to a higher rate than the present.

As already remarked the experience that will be gained by the attempt to carry into effect such legislation must be valuable. We have in Canada some rising statesmen who seem ambitious to extend their popularity with the people by attempting to force upon the companies their intangible fancies of what ought to be. Witness the late attempt to enact a uniform *pro rata* tariff—a project which might be pronounced ridiculous but that it found some sincere advocates. Let us hope we have seen the last of such attempts.

## THE CRISIS IN LUMBER.

It is but natural that the suspension of the great lumber firms announced last week should excite much comment and should give rise to those vague and ill-defined fears which such events always excite. But it would be an error to suppose that there is in this case anything unusual, or that it indicates a general unsoundness in trade. The same causes to the operation