

The Commercial

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EXTENDING ITS ARMS.

The Canadian Pacific railway company is to engage in another important railway enterprise this year. This is nothing less than the construction of a line of railway from Regina, Assiniboia, in a south easterly direction, to the Dakota boundary, where connection will be made with a railway which will be built across the states of North Dakota and Minnesota, to St. Paul and Minneapolis. This is not a new project, but is one which has been under contemplation for a few years. In fact, this was no doubt one of the objects in view, when the Canadian Pacific obtained an entrance into St. Paul and Minneapolis, by the purchase of a controlling interest in the Minneapolis, St. Paul and Sault Ste Marie railway. The latter is a line of railway extending from the twin cities of Minnesota, to Sault Ste Marie, where connection is made at the latter place with the Algoma branch of the Canadian Pacific, this branch connecting with the main line of the latter road at Sudbury.

The Canadian Pacific has a large traffic from Pacific coast points to points in the central or Mississippi states. At the present time this business is being done via Winnipeg. The traffic is carried from the Pacific coast over the Canadian Pacific to Winnipeg, and thence south from Winnipeg to St. Paul and Minneapolis, via the Great Northern railway. The latter road—the Great Northern—will soon have a line of its own through to the Pacific coast, and as soon as this is accomplished, it will be independent of the Canadian Pacific for Pacific coast business. Instead of receiving Pacific coast traffic at Winnipeg from the Canadian Pacific, for distribution to central states' points, it will desire to carry this traffic direct from the coast by its own lines, and will cut its connection at Winnipeg with the Canadian Pacific. The Canadian Pacific has no other connection at Winnipeg or elsewhere, whereby it can transfer its central states' business for distribution to point of destination, and as matters now stand, it must lose its business between Pacific coast and central states' points as soon as the Great Northern gets its line through to the coast. Hence the decision to open a new route. This new route, as stated will be run from Regina, on the Canadian Pacific, in a south-easterly direction to the Dakota boundary, thence across North Dakota and Minnesota to the twin cities of St. Paul and Minneapolis. Arriving at these points, the Canadian Pacific can readily make connection for all points in the central states. The new route will be pushed through at once, and thus by the time the Great Northern has its route through to the coast, and withdraws its connection from the Canadian Pacific, the latter road will have a route of its own, to central states' points, and will still be in the field to compete for business between the Pacific coast and central states' points. The Minneapolis, St. Paul and Sault Ste Marie railway not only connects the twin cities with the Canadian Pacific at Sault Ste Marie, but this road has already been extended some hundreds of miles

in a northwesterly direction, from Minneapolis to within a short distance of Bismarck, North Dakota. This western extension of the Sault road will be continued on to the Canadian boundary, to connect with the line which will be built from Regina to the boundary. When this work is completed, the Canadian Pacific will have a direct line of railway from Regina to St. Paul and Minneapolis, and will then be in a position to reach all points in the central states, by an independent line under its own control. With its Sault connection between Minneapolis and Sault Ste Marie, it will also have an alternate route north and south of Lake Superior, from Regina and points west thereof, to eastern Canada and eastern states points.

FARM IMPLEMENTS.

The union last fall of several firms of implement manufacturers in one company, has given rise to quite a little agitation among western farmers in some sections. The matter has been discussed to some extent through the press, mostly in the form of letters from farmers, or parties claiming to be farmers. It has also been discussed at meetings of farmers, and some very senseless things have been said in connection with the subject, both through the press and at these meetings. A few persons seem to have adopted the belief, that the union of the Massey-Harris and other implement firms in one strong company, will in some way result disadvantageously to the buyers of implements. They do not state exactly in what way the farmers are to be injured, but they talk about a "gigantic implement combine," "oppressive implement monopoly," and other equally misleading terms. One writer has even proposed that the farmers should unite to boycott the combine, and other equally unjust and unreasonable assertions have been made.

It appears that it would be only reasonable to wait to see what the new implement concern will do, before working up any agitation against it. If it appears later on that as a result of the amalgamation of these implement firms in one company, the interests of the farmers have in any way suffered, then it will be ample time to protest. So far the new company has not been given much time to show what it can or will do. In the meantime, however, we must say that we cannot see that these implement manufacturers have done anything wrong or anything likely to injure the farmers, in merging their interests in one company. The term monopoly is not applicable to them in any sense whatever. They have by no means a monopoly of business in their particular branch. There is still plenty of competition in the manufacture of all kinds of farm implements and machinery in this country. In fact, in some lines, there is over competition, and the business in certain implements is divided among so many manufacturers, that they cannot work to advantage. Neither can the term combine be applied to the new company, in the sense that is intended by those who have used the expression. A trade combine implies an agreement entered into between a number of persons in a certain line of business, for the purpose of exercising an undue influence over that particular branch of trade, such as regulating the output, if it be a manufacturing branch, regulating prices, etc. The manufacturers of starch in this country, for instance, lately had an agreement among them-

selves to sell only at certain prices, and on certain terms. That was a combine. A combine may exist among a number of separate firms and companies, and is simply an agreement among different concerns to regulate trade to the benefit of those engaged in the branch. When one strong company is formed to secure control by purchase or otherwise of all the concerns in a certain branch of trade, it is sometimes called a combine, though the result of a move of this nature is to secure a monopoly. The new implement firm, as far as we know, has not entered into any agreement with other implement manufacturers to regulate prices, or to regulate any other feature of the trade. There is therefore nothing in the nature of a combine about it. Neither has the new company endeavored to buy up or secure control of all other implement manufacturing establishments, so that there is no monopoly feature about it. It is no more a monopoly or a combine, than would be a partnership agreement between two grocers, who had previously carried on business separately.

This article is not written particularly in defence of the Massey-Harris company, but on account of the unjustness in principle, of some of the statements which have appeared in Manitoba papers, concerning this new company. We have not thought it necessary to enquire particularly into the business of the company, or to the course they intend to follow during the present year, or the more distant future. Time will develop this, and the company may safely be left to be judged from its future actions. We can see many ways, however, in which the union of these firms in one strong company, should prove an advantage to our farmers and the country at large. In the first place there was over-competition in the implement manufacturing trade. When business is divided among too many concerns, none can work to the best advantage, and as a result inferior work and cheap material is likely to be substituted in order to make a profit. The host of agents maintained by the implement firms, and the cost of keeping offices and warerooms all over the country, is a very important item. Each one of the three concerns which are now united in one company, was obliged to maintain agents at and rent or own premises at points all over the country. Where three agents were formerly maintained at one country point, one man will now answer to represent the amalgamated firms. Instead of three separate offices and warerooms in each town, one will now serve all necessary purposes. This will relieve a large amount of capital and greatly reduce running expenditure, which should enable the new company to work to the best advantage. Another point is, that patents and improvements formerly held by the three concerns, will now be owned by the new company. The new company certainly has many advantages in its power, as compared with the condition of things while the three concerns were working separately. With the amalgamation of capital, plant, patents, etc., with the great saving in working expenses, and other advantages in its possession, the new company should be in a position to conduct its operations to the benefit of the farmers, rather than to their disadvantage.

There is another point worth mentioning. We often hear talk about farmers being pestered with agents, and talked into buying machines which they do not need, a statement which we believe contains some truth. Now, with on