

Compared with the year immediately preceding, last year shows up well. The number of completed miles increased by seven hundred. The number of passengers carried increased by 824,474; the number of tons freight carried increased by 697,529 tons; the receipts from all sources increased by \$5,452,227, and the expenses \$3,447,001. The receipts per train mile show an increase of seven cents, and the percentage of gross receipts expended in working the railways shows a decrease. The Intercolonial Railway carried 130,000 tons more freight and 50,000 more passengers.

When we supplement these statistics with a *resumé* of the report of the Canadian Pacific Railway, which was submitted at the annual meeting of the shareholders, held in Montreal on the 9th inst., the exhibit will be found most satisfactory, and furnishes indisputable evidence of the progress of the Dominion. Some eight years ago, the Canadian Pacific Railway Company had no existence, last year the gross earnings of the road were about 12,000,000, while the net earnings for the year were \$3,500,000.

The company's system, at present, embraces over five thousand miles of railway, and its ramifications extend to almost all portions of Canada. Besides this it has an extensive commercial telegraph system, and a steamship line on the Pacific Ocean, plying between America, China and Japan. It is, besides, rapidly perfecting its facilities at its terminal points.

Several important extensions and feeders of the road are fast being pushed to completion. The Algoma branch and the connecting branch from Minneapolis to Sault Ste. Marie are expected to be ready for regular traffic next month, and a connection with Duluth is expected to be made a month or two later, while, before the year closes, it is anticipated the short line to St. John will be completed, and the terminal facilities at Toronto and Montreal will be ready for use. All these improvements will very much enhance the earning power of the road, and place it in a position which must ensure its prosperity. Some idea of the bright outlook for this enterprise may be had from the fact that in 1887 the total quantity of grain moved on this road was 15,014,000 bushels, against 10,950,000 bushels in the previous year. This increase of fifty per cent was due to the magnificent harvest in the North-West. In view of the bright outlook, the directors say that "in view of the large amount of grain from last year's crop remaining to be removed from the North-West, of the large increase in acreage under crop for the present year, of the unusual flow of emigration to the North-West and the evidences of a general revival in the trade of the country; in view of the growth of the local industries along the line and the constant increase in the through traffic of the railway, and the more harmonious relations with competing lines, and in view of the new lines of the company that have only recently been completed, and the new connections that have recently been made, and of the early opening of the two important American lines to Sault Ste. Marie, both of which will command a heavy traffic, already existing, the directors feel justified in concluding this report with an expression of their belief that the results of the present year's operations will be most gratifying to the shareholders."

IMPERIAL FEDERATION.

Long ago, and more than once, we have thought it well to reiterate the fact that the measure of the value of the Canadian Pacific was the American abuse and ridicule of it. Monroe-doctrine Americans were prescient enough to see that the vast country to be penetrated and opened up by it had all the capabilities of a mighty State in a future not very far to look forward to. As long ago as 1858, Mr. Seward said in the United States Senate, that he had shared with many of his countrymen the conviction that Canada, a mere strip of country lying north of the States, would, at no distant date, merge itself naturally into the union. "But," continued Mr. Seward, "I have dropped that opinion as a national conceit"; and had that very distinguished Statesman lived to read the report of Senator Schultz's committee on the "Wild North Land," he would have been yet more deeply impressed with the fact that, to use his own words, Canada is heir to "a region grand enough for the seat of a great Empire." To the opening up of this grand expansion the C. P. R. furnishes the base line. But we are wandering a little from the connection with our own base of thought. We are sometimes led to think seriously of a subject which would otherwise scarcely occur to us at all as other than an abstraction by the vehement abuse of it. This has been somewhat the case with us with regard to Imperial Federation. For a long time it looked to us very much like a speculative abstraction with obstacles one could by no means see any means of removing, in the way of reducing it to a practical shape. All, indeed, that we are yet able to perceive is, that a manful effort is being made to clear the ground, so that the difficulties which bestrew it may at all events be fairly recognized and estimated, and we should suspect but little beyond this, were it not for the excitement about it displayed by the annexationist press, which bestows upon the "fad," as it calls it, an amount of attention which engenders a suspicion that it really sees in it a tangible danger to its unpatriotic aspirations. One thing, at all events, seems clear, that the taunt of an incapability of definition comes with a very poor grace from those who were utterly unable to satisfy us as to how we were to raise a revenue under complete Reciprocity.

We have no hesitation in saying that we should rejoice exceedingly if we could discern the possibilities of Imperial Federation more clearly than, at this moment, honesty compels us to acknowledge we do. But of one thing we are certain—that the discussion of so great a subject cannot but have the effect of eliciting facts of permanent value, whether tending to one side or the other. We have learned a good deal even from the Commercial Union discussion, though what we have learned is unfavorable to that theory. The earnestness of the growing movement cannot fail to teach us some new points in our intercolonial relations and in those with the mother

country. Any consideration of these relations is evidently highly distasteful to the annexationists; but, as we have said before, they do not rule the roost yet; and if the Federation idea seems to them so absurd a "fad" as they would fain have it believed, they would, one would think, quietly give it rope to hang itself. As it is, they seem not a little afraid of it. At all events, there is to be, as we understand, a larger meeting than has yet been held in Halifax, on the 4th inst., and we sincerely hope it may be of an encouraging nature.

THE FIRST OF JUNE.

Halifax, seventy-five years ago, tho' as now, the head-quarters of the North American Station, must have been a quaint and quiet old place. Since then she has grown and increased, has welcomed royal princes, and seen many a pageant more brilliant than her old-time population and condition could have afforded scope for, but it may be safely assumed that no subsequent excitement can ever have equalled that which she experienced when the Shannon glided up her noble harbor in company with her prize the Chesapeake. This did not occur until the 6th of June, but the action was fought off Boston on the 1st. This date had long been marked in English almanacs as "the glorious 1st of June," on account of Lord Howe's great victory in 1794. But great victories over the French were not so uncommon, while a series of reverses in single actions with American vessels rendered the British success in the first battle fought on even terms, a matter of more importance and gratulation than any ordinary defeat of a French fleet.

The errors which had, more superficially than really, tarnished the lustre of British naval prestige, were very distinct. The triumph of Trafalgar and the consequent suppression to a great extent of the naval power of our old enemies had had the worst possible effect on the British navy in begetting a careless sense of superiority, and great negligence in gunnery; while, being still at war with France, the drain on the resources of England in men was such that every ship was not only undermanned but many were manned with the worst possible material—the scourgings of the streets and the sweepings of the gozls. The build of the English ships of that day was far below the French, their quarters were confined, their tonnage small, and their guns inferior.

In all these respects the Americans had, with admirable foresight, taken a long stride ahead of us. Their ships were few, but that very fact enabled them to be manned with picked crews of great numerical strength. No expense was spared in their outfit, the three great frigates—the President, the Constitution, and the United States, had the masts and scantling of an English 74, and far more than a 74's height between decks, and room at quarters. They carried their ports high out of the water and their crews were thoroughly practiced at their guns. Other advantages—the use for instance of worst sort of lantridge—were not quite so creditable.

Under these conditions we had lost three frigates, the Guerriere, the Java and the Macedonian, to the Constitution and the United States. The Guerriere was in a state of complete rottenness and was on her way to refit. She would probably, had she not been taken, have been broken up. The Java was on her way to the East Indies full of stores, and with one of the worst crews that even that evil period could supply. The Guerriere sunk shortly after the action, and Commodore Bainbridge burnt the Java, apparently because he was rather ashamed of having been fought by her for three hours and a half when he ought to have taken her in half an hour. A single statistical comparison of force illustrates all these three actions, the English frigates not varying in tonnage one from another by ten tons, the American being all alike.

	Broadside guns.	Weight.	Men.	Tons.
Constitution,.....	28.....	768.....	450.....	1533
Guerriere,.....	24.....	517.....	244.....	1092

Four or five sloop actions resulted in favor of the Americans from precisely analogous causes, tho' as with the Shannon and Chesapeake, the successes were mostly British when the forces were equal. Still the balance of captures was largely in favor of the Americans.

Every one knows the chivalrous spirit which animated our combatants, and brought the Chesapeake out of Boston harbor to be carried by boarding in fifteen minutes from the firing of the first gun. We cannot go into the details of the action, but there was this remarkable about it. No ship's company in the Navy had been trained in gunnery as Capt. Broke had trained the crew of the Shannon, but it was not by her gunnery, which was her strongest point, that the fight was won, but by seizing the right moment and boarding.

For the first time an English and an American ship had met, with an equality of force, and the spell of American success was broken. The subsequent capture of the President enabled Englishmen to verify with their own eyes the immense disparity of force to which the results of the previous frigate actions were due. The comparative force of the Shannon and Chesapeake was as follows:

	Broadside guns.	Weight.	Crew.	Tons.
Shannon,.....	25.....	538.....	306.....	1066
Chesapeake,.....	25.....	590.....	377.....	1135

The ships were brought into Halifax, by Lieutenant Provo W. P. Wallis, Second Lieut. of the Shannon, Capt. Broke being disabled by wounds received in boarding, and the First Lieut. killed by an unfortunate accident, by the Shannon's own men. The brave Capt. Lawrence died of his wounds on the passage, was buried here on the 8th with full honors, and followed to the grave by all the Naval Captains in port.

That most valuable work, James' Naval History, contains the full particulars of the memorable fight which took place seventy-five years ago to-day.