

## PROMINENT TOPICS.

The shipping combine question occupies the front of the stage, where lights of various hues are being thrown upon it so that its aspects vary from day to day. The present day custom of cabling street gossip of the flimsiest nature as news has the effect of discrediting all foreign news until subsequently confirmed. Whether then the combine is meeting with some difficulty in securing the White Star line, as is reported, or not, and what is the obstruction, if any, and whether it is trifling or serious, will not be positively known for some time. It is in the highest degree improbable that those who are engaged in these vast combine negotiations talk to outsiders about the various phases and stages of the business. The movement to bring a number of British steamers into the possession of a syndicate of capitalists, controlled by Americans, is rousing the people of Great Britain out of their almost sublime self-confidence. They are waking up, as the Prince of Wales said they needed to be, and when John Bull is thoroughly aroused he does things on such a grand scale as makes his detractors look foolish. Now, the most difficult war ever undertaken is over; public attention in the old land is centred on the alleged danger threatening the Atlantic shipping trade of England and Canada, which it is most earnestly to be hoped will result in such steps being taken as will protect British interests from any serious injury.

The shipping combine presents a more embarrassing problem than any which has puzzled the public men of Great Britain for many years. It has possible complications of a most intricate nature. The importance of the matter is vast, the interests involved prodigious.

The stir over the shipping combine led to a committee of the House of Commons being appointed to enquire into the question of subsidies to lines of steamers granted by the Imperial Government. Those subsidies have several objects, (1) they are paid to steamship companies to secure the services of their vessels as mail carriers; (2) They are granted as compensation for certain rights of control held by the Government over such steamers; (3) they are paid, in part, as a contribution towards the maintenance of such shipping services in the general interests of British trade. To whatever extent a subsidy is paid for the latter purpose, it is a distinct violation of the Free Trade principle, but the utility of such forms of subsidy has been so manifest that Free Traders have not challenged the votes for these grants.

In this connection the evidence given before the committee of the House of Commons by Senator Drummond is of much interest. He said:—

"I have arrived at the conclusion, from recent developments of American shipping combines, that the land line practically controlled the situation and that the ocean lines were merely adjuncts. At first sight it would appear that the purchase of a number of old British steamers by the American combination could be remedied by building new boats. But I believe that if this was done by a new organization it could be made unprofitable by the Americans, who, by means of through bills of lading from the producing centers, could control freights as well as a considerable portion of the passenger traffic. I believe that the only hope of escape from the control of the American shipping combine lay through Canada. Therefore, I advocate a speedy, up-to-date service of twenty-two knot steamers between Great Britain and Halifax instead of New York. Such a line ought to be subsidized to the extent of £300,000 (\$1,500,000) to £400,000 (\$2,000,000), yearly, for ten years, half payable by Great Britain and half by Canada. Thereafter, I believe, if judiciously managed, the line would be self-supporting. It would be advantageous to both countries to cement the trade between Canada and Great Britain."

Following Senator Drummond came Rear-Admiral Beresford, who said: "I do not favour fostering trade by bounties;" then, with sailor-like contempt for logic the old salt added, "I favour encouraging shipping by postal subventions." It would be like breaking a fly on the wheel to demolish the Rear-Admiral's position. His own trade, or profession, is a conspicuous illustration of the advantage of encouragement by bounties. If England had paid her admirals strictly on the fixed salary plan, without any "bounties," the naval service would have suffered. If "postal subventions" are paid for services of equal value they are no favour to shipping and if paid in excess of value to encourage shipping, they are "subsidies" to the extent of such excess, so Rear-Admiral Beresford's *disapproval* of subsidies and *approval* of postal conventions are not contradictory, but mere variations of the same thing. It is probable that the Rear-Admiral was misreported.

All must admit that the service between Great Britain and her colonies, both by land and sea ought to be of the most improved, up-to-date character. It is, however, questionable whether subsidies for a line of fast steamers will aid very materially in the solution of the shipping combine problem. All companies, shipping ones not excepted, are organized to earn dividends. The steamers of a fast line are run at an enormous cost, to cover which high rates must be secured for passengers and freight. In the judgment of those experienced in ship-