

ings. That wonderment has been transformed into what is almost alarm. While apparently Grand Trunk shareholders are getting deeper in the Slough of Guarantees, the powers that be in their little railroad world are leading the Government on with that magnetic influence, which is the vitality of the railroad promoter. In the case of the prairie section referred to above, the Government have as security the obligation of the G.T.P. and the guarantee of the Grand Trunk. That may look black for Grand Trunk shareholders. But consider the position of our parliamentarians. They have a mortgage, as security, on the whole of the prairie section. It is a fourth mortgage. The three others before it are a first lien representing the Government guarantee of bonds to the extent of \$13,000 per mile; a second representing the G.T.P.'s own bonds on money raised for the construction of the road; and third, the guarantee given by the company on account of equipment. Mr. Fielding says he attaches little value to this fourth mortgage. It is upon the security given by the guarantee of the Grand Trunk itself he rests his burden. Which again looks black for Grand Trunk shareholders.

Now supposing such an impossible event possible—that the Grand Trunk Pacific shall become unable to fulfil its obligations in connection with the present ten million loan. The slight value to the Government in that case, of the first three mortgages is very apparent. The fourth would be out of consideration. Then the Government would call upon the Grand Trunk to fulfil its guarantees, and the Government would —. So one can well see how necessary it is that the Grand Trunk Pacific and the Dominion Government shall be good railroad twins now and forever more. In plain words, whatever happens, nothing can stop the completion of the road from coast to coast. From the viewpoint of the Grand Trunk shareholders, then, there is little to fear. The Dominion Government's presence is sufficient safeguard. Not knowing the arts of American railroad building and financing, they might be inclined to think that someone had blundered. It is otherwise, having been well managed. No apprehension need be felt as to the financing of the mountain section. In that case, the Government have guaranteed the bonds of the company to the extent of three-fourths of the cost without limitation as to the cost per mile. While tied up with guarantees and bonds, the freedom of the G.T.P. from puzzling finance bondage is rapidly approaching.

WINNIPEG'S WESTERN FAIR.

That a World's Fair shall be held at Winnipeg in 1912 has been definitely decided. When the Monetary Times questioned the wisdom of such a project, it was thought by some—who had temporarily forgotten that this journal is national, not local—that Toronto had been specially labelled for a World's Fair to the exclusion of other cities.

That was not so. It was felt that no city in Canada is strong enough to support a World's Fair as the world knows it. Very few shows of this kind have proved successful in the past. Even the name seems to fight against success.

This does not mean that Winnipeg cannot well hold a fair. It should bid for popularity under a name other than World's Fair. The Canada West Fair would perhaps be more appropriate. The objects of the promoters obviously are to attract attention, capital, and population to that wonderfully wealthy and productive country, the Canadian West. It will be a distinctly Canadian institution. Why parade it, therefore, under a caption which has brought grief to hundreds of Fair organizers?

As to the general proposal, Winnipeg should have the active sympathy and co-operation both of East and West. The centennial of the arrival of Lord Selkirk's first settlers may well be marked by a gathering of

Canada's modern pioneers, their admirers and emulators. No city deserves better to be the appointed meeting place than does Winnipeg. By dint of enterprise and hard work, a proud and energetic metropolis has been raised from the flatest of prairie lands. That city is well served with railroads and it is within convenient reach of many United States centres. It is large enough to accommodate big crowds and sufficiently up-to-date not to disappoint them. The initial organization work has been undertaken in a businesslike manner, which bodes well for the future of the Fair.

Winnipeg's 1912 celebration should not be run on World's Fair lines; nor should it sail under its colors or its title. The Western metropolis has enough initiative to provide a show based on original principles and carried out with a concentrated desire to attract transient America to a land of farms and homes, wheat and prosperity. A bold undertaking it is, but in capable hands, it should prove a valuable magnet to desirable capital and labor. Winnipeg is brave, and none but the brave deserve such a Fair.

MUNICIPAL BOOKKEEPING.

Spike file and go-as-you-please methods in civic bookkeeping must cease. With the plea for uniform municipal accounting comes the knowledge that to a large extent antiquated systems are in vogue, with few exceptions, throughout the country. Only recently have civic auditors, or the majority of them, deemed it their duty to advocate more up-to-date methods. The matter is of vital importance to municipalities. It affects their credit. Slovenly accounts cause harmful criticism; in turn, that blots the civic escutcheon. And a bad reputation plays the dickens in the money market. When a municipality desires to borrow, the investor wants security. That is obtained not only by the apparently sound position of the town or city finances, but by a bookkeeping system which clearly reflects that position and the future, so far as one ought to be enabled to judge by figures.

The investor is becoming alive to the principal points of a good investment. So often has he swallowed the attractive bait and got the wire hook, that he has now been trained almost to look first for the possible snare. The day of success for the unscrupulous mining and other promoters in Canada has passed; that is, until a new generation is ready to tread the slippery paths to the pitfalls of speculation. The education of the investor generally has been such of recent years as to prime him well with the black and white alphabet of money sinking.

Canada, for its municipal development, will during the next two or three decades, need many millions of dollars. To obtain the capital necessary, city treasurers from coast to coast will be obliged to present, when required, businesslike statements of the civic finances. Hiding away the bad features behind an extraordinary and out-of-date accounting system will not suffice. Such actions have but a temporary effect. Polite dishonesty sidetracks the truth only long enough for the storm to gather and burst.

Uniform municipal accounting is not exactly the first requirement. Twentieth century methods constitute the primary lacking. A wave of reform must sweep across the country, and the many houses that should be, must be put in order. Uniformity will follow naturally the awakening to the necessity of better bookkeeping.

Medicine Hat is one of the Western cities which have been advised lately by their auditors. The city treasurer there is using a synoptic system for the distribution of the city's expenditure. That is not at all suited for the purpose. In addition, there is the objection that it is of the loose leaf system. Then there is a danger of the debenture coupons being mislaid or lost, for there exists in that city no proper method of taking care of them.