

America, to see the serious danger involved in such movements. It is evident that the combination of the two firms in question will put them in such a position that if they were inclined to press their advantage to the utmost the result could not fail to be disastrous if not absolutely fatal to other weaker firms doing business of the same kind in the Province. It is conceivable that these weaker firms might one after another be driven to the wall until the newly-formed combination should stand absolute master of the situation, without a competitor and almost without the possibility of one. What use would then be made of the powers of monopoly thus gained would depend largely upon the conscience of the corporation, and corporations are generally said to be destitute of either souls or consciences. But the farmers must buy agricultural implements and machinery at whatever cost or farming must cease. It thus appears that while the much-lauded competition of other days is folly, combination is full of danger to the public. Here is one of the great problems of the day, and one which is being rapidly hurried forward by the current of events towards a crisis at which a solution must be found. Either some stringent remedial legislation will have to be enacted or a radically new order of things brought about. Which is it to be? It is not too soon for all to be thinking about it.

WHAT is to be done for or with the impecunious Provinces? It is greatly to be feared that, with the exception of Ontario, all the Provinces of the Dominion, certainly all the older Provinces, are either already in this category or in imminent danger of coming into it at an early day. It is easy to say that those Provinces have not been sufficiently careful to preserve the equilibrium between income and expenditure and that they must themselves bear the consequences. But at the same time it is obvious, as has so often been pointed out, that when bankruptcy begins to stare them, or any of them, in the face, they cannot be left to bear the consequences. The Dominion cannot afford to so leave them. Relief must be provided in some way or other. It would never do to let a Province of Canada fall into the position in which the Argentine Republic now finds itself. And yet nothing is more certain than that any Province whose public accounts show a chronic deficit is steadily tending towards such a position, and must sooner or later reach it unless relief is found. The people of Ontario are prone to say, in respect particularly to the Maritime Provinces, that if their people would but adopt a municipal system like that of Ontario, instead of relying on the local treasury for the means to build their roads, bridges, etc., their finances might soon be in as sound a condition as hers. It is, therefore, argued that it would be exceedingly unfair that the people of Ontario, after taxing themselves for all these local improvements, should be compelled to contribute through the Federal treasury towards doing this same kind of work for the people of other Provinces. It may be that the force of this argument is somewhat modified by differences in natural resources which would undoubtedly make it much harder for those Provinces to carry out such a system than it is for Ontario to do so. The circumstances in the two cases certainly differ materially. Moreover, the Maritime Provinces may retort that they should not be made to suffer in consequence of having entered the Confederation, and that if they were given back their power to raise revenue from imports, they would have no difficulty in making ends meet. Quebec, happily for herself, perhaps unhappily for the Dominion, is in a position to forego the use of argument or expostulation, and fall back on her voting power. One thing is clear. The subsidy system has been tried and found wanting. Very few who have given thought to the subject will, we believe, be disposed to deny that this arrangement is the weak spot in the Federal constitution and that, sooner or later, a more satisfactory arrangement must be made, and the constitution revised accordingly. Some of the Liberal newspapers are never tired of reiterating that the great mischief was done when the terms of union were altered in favour of Nova Scotia. It might certainly have been better to have changed the constitution at the outset; but it must not be forgotten that "better terms" in some shape was at that time, so far as appeared, the *sine qua non* of Confederation. What is of more immediate practical importance is that the stability of the Confederation can never be assured, so long as "better terms" are a gift in the power of the Ottawa administration. It is almost certain that something will have to be done in the matter during the life of the present Parliament. What that something may be, it is hard to predict, but it is of the highest importance

that whatever change may be made shall be, as far as possible, a finality. One of its first conditions should be, if in any way practicable, a consolidation of the three Maritime Provinces into one, as a matter of symmetry and strength as well as of economy.

AMONG the various questions that are likely to give occasion for warm debate at Ottawa during the current session there are perhaps none—the trade question only excepted—in which the principles involved deserve more careful attention in themselves, or are more far-reaching in their applications than that which is again raised by Mr. D'Alton McCarthy's brief Bill touching Separate Schools and the French language in the North-West. Taught by past experience, Mr. McCarthy has, we think wisely, made two important changes in his Bill of a year ago. He has dropped the preamble, which contained, to say the least, much unnecessary controversial and combustible material, and he has brought both the compulsory establishment and support of Separate Schools and the compulsory official use of the French language within the sweep of his concise but comprehensive Reform Bill. In order to get an impartial view of the scope of Mr. McCarthy's Bill, it should be clearly borne in mind that he does not propose to enact positively that either the Separate Schools or the official use of the French language shall be forbidden or discontinued, but merely that the clauses in the North-West Act which now make both, under certain circumstances, compulsory on the authorities of the Province, be repealed, and the people of the Territory left free to deal with the matter, in each case, as one of local concern. It will not, we suppose, be denied that in accordance with the broad general principles which underlie the Federal Compact, and in the absence of any constitutional restriction, such as, unhappily or otherwise, limits the freedom of the Province of Ontario in regard to education, these two subjects are for Provincial not Dominion control. Whether it will be seriously contended in the case of the North-West, as is being done in the case of Manitoba, that the state of education prior to Confederation was such as to make Separate Schools a constitutional right of the minority, remains to be seen. In any wise, in the one case as in the other, that is clearly a question for the Courts, not for Parliament. Apart from such considerations, Mr. McCarthy and his supporters will not find it very hard to show to the satisfaction of any unprejudiced listener that it is both inexpedient and unjust that the liberty of the citizens of those new Canadian communities which are growing up in the great prairies and under the shadow of the Rocky Mountains should be restricted in a matter in which freedom is their right in virtue of a Federal principle, and in which the Provinces in the East and the West have that freedom in fullest exercise. There was, no doubt, at the time the Red River and Saskatchewan countries were being added to the Dominion, some reason for expecting that a large percentage of the inflowing population would be of French and Roman Catholic origin. Hence there was a degree of plausibility in the scheme, which at first found favour with the Government, for making Manitoba a small Province after the pattern of Quebec. We do not say that even under the conditions indicated such a course would have been wise or desirable. But now that that expectation in regard to the influx of a French population has failed even in regard to old Manitoba, as well as in regard to the great territory beyond, there certainly is left no sufficient reason or excuse for attempting to bind upon those struggling communities a burden which seems likely to become some day too heavy for even Ontario to bear. We have sometimes felt it right to dissent from and deprecate Mr. McCarthy's somewhat incendiary utterances, but we can most heartily wish him success in his brave effort to obtain freedom of action in these important matters of local concern for the people of the North-West.

WE are sorry to see that the estimated cost of the Prince Edward Island tunnel, according to the figures furnished the Dominion Government by Sir Douglas Fox, is very formidable. It appears that the \$5,000,000 or \$6,000,000 on which Senator Howland and other sanguine advocates of the scheme have been reckoning, would suffice only for a tunnel of eleven feet internal diameter, a dimension which would probably be quite too small for practical purposes. It would no doubt be the better economy, should a tunnel be constructed at all, to have it made at the outset of sufficient size to be satisfactory for all time to come. This would apparently mean, according to this estimate, an expenditure of from

\$10,000,000 to \$12,000,000. Whether the Dominion Government, liberal as it is in expenditures for public works, especially those which promise to be useful in binding more closely together the different members of the Confederation, will venture to recommend such an outlay remains to be seen. Were this the only undertaking of great magnitude that was being pressed upon their attention the case would be different. But seeing that it is but one of several enterprises of enormous magnitude which are being strenuously advocated, and to some of which the Government is more or less committed, the task of deciding between the rival claimants cannot fail to be one of serious difficulty. Yet it cannot be denied that the people of Prince Edward Island have great reason to be dissatisfied with the existing state of things, and to complain that faith is not being kept with them. The fact brought out in a recent debate in the Commons that communication with the Island by means of the Government steamer was repeatedly interrupted for days at a time during the past winter, was certainly not in accordance with the terms of Confederation. If the breach of contract was unavoidable, the fact furnishes a strong argument in favour of putting forth the most vigorous efforts to secure a surer means of communication with the Island at whatever cost. If, on the other hand, it was the result of official negligence or incompetence, Parliament should not fail to visit the defaulters with the severest censure. Such a suspension of traffic may be unimportant to the rest of the Dominion, but to the Islanders it is, as can be easily understood, a serious matter.

WE allude in another paragraph to the liberality of expenditure in public works, which, whether wise or unwise, has characterized the course of Sir John A. Macdonald's administration during the last ten or twelve years. Some of the statistics furnished in the last annual report of the Department of Railways and Canals set forth this liberality in figures which are startling in their magnitude. What are we to think, for instance, of a country of five millions of inhabitants, which has invested in railways, public and private, paid-up capital to the amount of over seven hundred and sixty millions of dollars, more than half of it within the last twelve years—an average of about one hundred and fifty dollars per head for every man, woman and child in the Dominion! Unfortunately the figures showing amounts of work and earnings do not compare very well in magnitude with the capital invested, though they are perhaps as large as could reasonably be expected in view of the population. The total number of passengers carried during the year 1890 was somewhat more than twelve millions. The gross earnings of all the roads amounted to a little more than forty-two millions of dollars, or about five and a-half per cent. on the capital invested. The proportions of net to gross earnings would vary widely in different roads, and the average could be only guessed at, but it is clear that the returns from capital invested must have been on the whole rather unsatisfactory to the investors. Of course the real value of the roads to the public is a very different matter and must be measured by other standards—a consideration which, though probably not very consoling to private investors in the absence of dividends, may yet be quite satisfactory in the case of the railways which are public property. Chief among the roads belonging to the Government, or, more correctly speaking, to the Dominion, is of course the Intercolonial. This line is, without its branches, 894 miles in length, and has cost to date a little less than forty-seven millions. Its income fails, as is well known, to balance expenditure by some hundreds of thousands of dollars annually, and the deficit bids fair to increase rather than diminish, in consequence of the competition of new and shorter roads. The large loss in 1890 will no doubt be the occasion of a fierce debate during the current session. However well founded may be the criticisms directed against the location of the road—a fact which cannot now be changed—it must be borne in mind that the construction of the road itself was an indispensable condition of Confederation. Indeed without such a connecting band the political union of the Provinces would have been a practical absurdity as well as a political impossibility.

TOUCHING the Intercolonial Railway it is gratifying to observe that through it a good example is being set to other railways in the matter of lighting and warming the cars. In reference to this Mr. Collingwood Schreiber, the General Manager, says in his report: "With a view to the better protection of the travelling public and the