

country, the United States has heretofore been largely dependent upon foreign countries for her freight-carriers, less than one-tenth of her exports going in her own ships. With the rapid rise of the money power, however, a new factor has appeared, and the world was startled some months since by a business transaction in which five of the largest Atlantic lines were purchased by an American combination, which evidently considered it quicker to buy than to build. Ship-building in the United States is, however, receiving more attention and it is altogether probable that, with buying and building, a first-class merchant marine will be available in the near future. In England and Germany shipping interests are always active, and are now especially so in their relations to Canadian and American enterprises. Thus on both sides of the ocean the shipping business is receiving an amount of attention which both from the point of view of commerce and of international relations gives it a new importance.

The Fast Atlantic Line

When the news was first made public, late in July, that a tender had been made for the fast Atlantic steamship service, it was hailed both in England and in Canada with great enthusiasm. The new line had been one of the matters discussed at the Colonial Conference and the ministers had been in communication with the heads of a number of prominent steamship companies, one result being the reported formation of a great British combination controlling two hundred ships, which would fight the Morgan combine recently organized. This deal, however, lacked confirmation. Meanwhile a bona fide offer came from the Canadian Pacific Railway Company and was made public by the Canadian ministers then in London, at whose request the tender had been submitted. It was for a weekly service between Quebec and Liverpool in summer, and Halifax and Liver-

pool in winter, employing four twenty-knot steamers and ten freighters, in consideration of a subsidy of a million and a half dollars. The Canadian Pacific Railway was recognized as a reliable and capable corporation, and at once the public fancy seized upon its offer as the most desirable solution of the Atlantic transit problem. Ministers, statesmen, merchants, newspapers, approved of it.

But, the first excitement past, certain reasons became apparent why the Government could not deal with the question quite so rapidly or unreservedly as the general public had done. The fact that any such service would be expensive could not be overlooked. The Canadian appropriation, passed some years ago by parliament, is \$750,000, and the British Government's original promise was half the amount paid by Canada. This would not be sufficient for a fast service, each additional knot over eighteen meaning so much the greater expense in running. To be really a fast service or to meet the needs of the case it should be 23 or 24 knots. The London *Daily Graphic* in commenting on the project had this to say:

"It would be distinctly advantageous to Canadian interests, but when it is proposed that Great Britain should give a heavy subsidy it is well that we should pause to look at the question all round. If the advantages of a direct Canadian service of fast steamers are as great as is alleged, it is surprising that private capitalists have not long ago put their money into such a service instead of competing for the New York traffic."

Other features of English business methods had, however, been more surprising than this, and the fast Atlantic project was not wanting in favor on this score. The chief difficulty seemed to be with the source from which the tender emanated. "The Canadian Pacific Railway," said one of the approving politicians, "holds the key of the situation." The fear as expressed by others was that it held the key too well, that while it was in a position to itself furnish the freight it would also be in a position to monopolize the entire carrying trade from the