

larger part of the returns from business, to the workingman's detriment. It can easily be shown that several millions of dollars have been expended by our capitalists, large or small, during the last four years, for which they have not received a dollar of return. Much of the money has gone into the pockets of the working class, who are invariably paid for their labor, whether the capitalist gets anything or not. It is perfectly right that working men should be paid. But if all these enterprises had been conducted, during the last few years, on the co-operative principle, it is certain that the working class would have received hundreds of thousands of dollars less in wages, and that this difference would have been in favor of the capitalists, who found the money to carry on these enterprises.

ABSTRACT OF BANK RETURNS.

31st August, 1885. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up..	\$ 35,909	\$ 17,467	\$ 8,211	\$ 61,587
Circulation	16,123	9,195	4,790	30,108
Deposits	56,252	39,377	12,343	107,972
Loans & Discounts	88,357	58,202	18,264	164,823
Cash and Foreign balances (Net) ..	22,591	9,480	5,145	37,216

31st August, 1886. [In thousands.]

Description.	Banks in Quebec.	Banks in Ontario.	Banks in other Prov's.	Total.
Capital paid up..	\$ 35,205	\$ 18,062	\$ 7,883	\$ 61,150
Circulation	15,429	9,507	4,579	29,515
Deposits	56,001	44,129	12,242	112,372
Loans & Discounts	84,303	63,642	17,529	165,474
Cash and Foreign balances (Net) ..	21,920	7,835	3,947	33,702

WINTER CONNECTION WITH PRINCE EDWARD ISLAND.

Complaints have for some time past been made, by Prince Edward Island, that the condition of the union in respect of water communication between the Island and the mainland has not been fully met by the government of Canada. The former appealed to the Imperial government, which was a party to the union, asking that the winter steam service be made efficient, and that "the government of Canada compensate this Island for the loss which has resulted to its inhabitants by reason of the non-fulfilment of the terms of Confederation, in the particulars complained of therein." The words of the engagement in the act of union are: "Efficient steam service for the conveyance of mails and passengers to be established and maintained between the Island and the Dominion, winter and summer, thus placing the Island in continuous communication with the Intercolonial Railway and the railway system of the Dominion." In this undertaking, it now appears, the Dominion agreed to do what is impossible. In the opinion of the best judges, including officers of the steamboat in which the service is performed, "no steamer can be built capable of keeping up continuous communication in mid-winter, between the Island and the mainland." In these words a parlia-

mentary committee reported, after examining several witnesses, among them officers of the steamer, "Northern Light."

The engagement entered into by Canada with the Island has not been literally fulfilled; but this is not because efforts have not been made to that end; the continuous navigability of the Strait of Northumberland has been fairly tested at a heavy expenditure. What has been achieved is greatly to increase the frequency of the communication, though the precise amount of the gain is not generally agreed upon. M. Chapleau, Secretary of State, puts at forty-eight the average number of days during the winter season, in which navigation has been found impossible; Messrs. Sullivan and Ferguson, who represented the Island in the controversy, raised the number to seventy-four. Forty-eight is the statement of a parliamentary committee that enquired into the facts, and it may be taken as approximately if not absolutely correct. The failure is therefore not serious; it does not result from negligence, carelessness or indifference; but is due to a fiat of nature against which the efforts of man are unavailing. Dr. Tupper cannot be far wrong in his contention that the engagement which Canada entered into has been substantially fulfilled, since it might reasonably be read with the proviso, "as far as practicable."

But this does not satisfy the Islanders. They have, through Messrs. Sullivan and Ferguson, expressed the opinion that a further attempt to establish continuous steam service in winter might be attended with success, if a steamboat of different build—still a nondescript—were constructed. The "Northern Light," these gentlemen say, which was not designed for the service, was purchased by the government in 1876, and placed upon the route. Her incapacity for the work was early made manifest, and has been patent to the government for many years, yet no steps have been taken to substitute a more efficient vessel, or to supplement her with another steamer." All this may be true, and yet the Dominion government may not be at fault in any of particulars named. If continuous navigation be impossible, it is useless to build more steamers. But that is just the question about which there remains a shadow of dispute. The Dominion government claims to have spent nearly a million dollars in connection with this navigation; and although to some items in the account the other side takes exception, it is indisputable that a large sum has been spent on experiment, which has been measurably successful, though it may not be as M. Chapleau contends, three times as much as the Island has contributed to the Dominion treasury. If there were a reasonable hope that a steamer of different build could make continuous trips, it would be the duty of the Dominion, at whatever cost, to make the experiment. But it is quite clear that the Islanders themselves have very little faith in the assertion that better results could be obtained from some other form of steamboat. Messrs. Sullivan and Ferguson, when they officially suggested a substitute for steamboat connection, showed that

they have no real faith in the continuity of navigation on which they had, in another part of their paper, so strongly insisted. "Engineers of the highest standing in America," they tell us, "have given it as their opinion that it is practicable to lay a metallic subway across the Straits of Northumberland, through which railway communication could be effected, and that the cost of such an undertaking would not exceed a sum which it would not be unreasonable to ask the Government of Canada to expend." In a scheme of this kind, we are confronted with something not in the bond, and which the exacting of the pound of flesh would not require the Dominion to adopt. Still if all that is alleged could be done, the Government would probably not stand upon niceties. The plan suggested has the air of a somewhat wild experiment. Engineers can do much, if unlimited means are placed at their disposal; but the case in question is not one that would justify an unlimited expenditure. A tunnel in the rock, under the sea, has its advocates, but it is difficult to believe that any sober minded person supposes that it would be reasonable to undertake a work of this kind, as a means of connecting Prince Edward Island with the main land.

If the enquiries into this navigation which have been made, by means of a committee of Parliament, be incomplete, it is reasonable and proper that they should be supplemented, in one form or another. No one is expected to perform impossibilities; and if continuous navigation be impossible, the Dominion may think that it has discharged its whole duty, when it has exhausted every effort to attain the unattainable end. But still, it will be said, the letter of the bond has not been complied with; and this is true. But it is true only because the achievement is impossible. It is incumbent on the Dominion of Canada to show that it is scrupulously careful to be just to the smallest of the Provinces. The controversy has been conducted by the Islanders with good feeling; there is no reason to suspect any *arrière pensée*, beyond the claim for compensation; there is nothing unpatriotic or unpatriotic in the appeal, and it deserves the fullest and most favorable consideration.

THE DOMINION EXHIBITION.

"The hill-slopes of Sherbrooke are conspicuous miles away, and glitter in the sun with their cathedral, college and church spires. To the early Jesuits the site was familiar, for the river St. Francis was the old water way from New England to Three Rivers and Quebec. * * * Here the river Magog dashes wildly down a steep incline—it falls 114 feet in little over half a mile—bringing the overflow of Lakes Magog and Memphremagog. * * * In its boundless water-power, and in the fertility of the district, Sherbrooke has enduring resources. Its manufactures are already very extensive, some of the factories reaching the size of villages."

Such is the attractive picture of Sherbrooke given in *Pictur-que Canada*, and it