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Our readers are requested to send us court decisions and newspaper clippings relating to railway interests.

It is desirable that communications, new advertisements and changes in old advertisements be handed in before the 10th of the month.

W. B. CAMPBELL, J.
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TORONTO, APRIL, 1888.

A SETTLEMENT AT LAST.

HAVING no desire to meddle with politics, we refrained from comment upon the negotiations for a settlement of the Manitoba difficulty by a three-sided arrangement in which Manitoba, the Dominion, and the Canadian Pacific were the parties, so long as these negotiations were not known to have led to any practical result. But now the matter has gone beyond the stage of politics, and is open for discussion on its merits as a railway question. As might have been expected, the English papers were nearer the truth than those in Canada in surmising the truth as to the terms of settlement before the semi-official announcement was made in the organs of the Government, for the investors in Canadian Pacific securities in England probably got information as to the results as soon as they were agreed upon, and would not feel the obligation to keep the facts so closely to themselves as the parties to the negotiations on this side of the water.

The arrangement, it appears, is for the abolition of the Canadian Pacific monopoly absolutely. The consideration to be given the Company is a fifty years' guarantee of \$15,000,000 of 3½ per cent bonds, the Government to have the security of the remaining thirteen million odd acres of the Company's land subsidy. The money is to be spent in the improvement and development of the Canadian Pacific Railroad system.

Speaking of the matter as a railway question simply, and aside from what may be said upon the political or economic phase of it, the settlement of this problem in the way agreed upon must be regarded as a good thing. It will enable one of the great Canadian railway systems to secure money at a cheap rate on such conditions that this money must be devoted to the railway development of the country. The spending of this enormous amount of money will give employment to thousands of people, and it will be spent in such a way as to directly develop the trade and resources of the country. The importance to Canada of having the great Canadian Pacific system in the best possible order can hardly be over-estimated.

At the same time, this settlement is on the lines which we have often suggested—something in the nature of compromise or agreement instead of an attempt of one party to have its own way by force. The Dominion Government yielded in time to avoid a serious disturbance, the results of which none could foresee. And even though, as some contend, the price paid for the monopoly is too great, it is so much better than was expected, and so much better than seemed likely to be reached six weeks ago, that the difference is one, the discussion of which is a political rather than a business matter.

The question arises whether the break-up of the monopoly and the tapping of the Canadian Pacific traffic will not divert traffic through the United States, and whether that will not injure the older Provinces, which are the back-bone of Canada. For our own part, while admitting that the Canadian Pacific people ought to know their own business best, we have always been of opinion that the benefits of the monopoly they held were more imaginary than real. Though the name "monopoly" may have been one to conjure with in the money markets in the world, it was not so powerful even

there as the splendid management of which the Company has had the advantage. And the idea of monopoly and the results of it frightened away the people whose presence on the prairies of the North West, and whose work of home building and wealth making was necessary to give the Canadian Pacific a steady and remunerative business. It is better for the Company to have fifteen millions to go on with needed improvements than to be without it, and the tight hold they have kept on the monopoly may have been necessary to secure the terms they have made. In this sense the results of the policy followed have been favorable. But the abrogation of the monopoly clause will, we believe, be found to have the same results as the breaking down of railway monopolies in the older Provinces: better trade development and improved traffic not only for all railways in the locality, but for each of the competitors. This kind of thing can be carried too far, we admit; but it can be carried a good deal further than it has been carried in the North-West hitherto with the happiest results in the development of trade. And as to the supposed injury to flow from traffic going through the United States instead of by the North Shore, we believe that the increase in the traffic will leave the North Shore road with quite as much to do as it would have on the average with the monopoly in force, and the Sault road will be immensely the gainer; besides which the roads through Ontario from the Michigan border will come in for a share of the traffic taken through from Manitoba and the North-West via St. Paul. Especially may we look for the latter two of these three results from the fact—and everybody seems to admit that it is a fact—that one of the first results of the abolition of the monopoly will be to secure the entrance of the Grand Trunk interest through some existing system into the North-West as a leading competitor for the trade. The Grand Trunk Sault line, it appears, will be finished in eighteen months or so, and it may be taken for granted that this line, the line from Sarnia, and the line from Windsor will be given all the trade that the energy of the Grand Trunk management can secure for them.

Mainly as a result of the great crop harvested in the North-West last year, but partly, no doubt, as a result of the abolition of monopoly, a very large pro-