

THE SHIPPING COMBINE.

The action of the American shipping combine in buying a number of British steamers with a view to control the trans-Atlantic trade is regarded in the mother-land as a very important fact. It has given rise to discussions in the English magazines, in Parliament, in the Press, and on the platform. One consideration looms largely in the situation created by the American syndicate. The British imports are held by eminent authorities to be the mainstay of Britain's shipping and mercantile supremacy. The volume of Britain's inward trade is three times that of the United States—\$22,000,000 pounds sterling, against 171,000,000 pounds sterling, and nearly twice that of Germany, which is 298,000,000 pounds sterling. The North Atlantic import trade is of transcendent importance, for Britain purchases over forty per cent. of all American exports. Unless she is the carrier of these enormous imports, her shipping supremacy is gone.

Those who discuss this question in the "old country" may be divided into pessimists and optimists. The views of the former are entitled to respect, for they are based on facts. Their fault is, they lack a firm faith in the combined powers of British capital, British brains, British enterprise and British energy. These facts are not merely that an American corporation has acquired eight per cent. of British tonnage, as the "Times" somewhat apologetically states, but that America has "scooped off the ocean," as one writer puts it, the cream of the British merchant fleet. Out of the sixty ships above 8,000 tons nominally possessed by Britain, thirty-seven are already in the American combine; and of the remaining twenty three, seven belonging to the Cunard line may or may not go over. If they do join the combine, only sixteen out of sixty of Britain's best ships will remain in British hands. The most valuable of the fast passenger boats, and the largest of the freight-carrying ships, which allow of the most economic working have become American, though they will sail under the British flag. The navigation laws of the United States will, for the present, prevent the steamers purchased by the Morgan syndicate sailing under the Stars and Stripes with an American registry.

Those who contemplate the doings of the American speculators with equanimity, and who face the future with a cheerful confidence, point to the steps that are being taken to organize a British shipping combine, and to the possibility of a collapse of the colossal American corporation. It has so many enterprises on its hands, that if one fails it will be likely to involve the rest. It has acquired the British ships at greatly inflated prices. If it wanted to capture the Atlantic trade, why did not those who are in it choose

a more economical way of attaining their object? They could have had new ships built at half the cost per ton at which they bought the lines they now own. Why did they not force down the prices of the ships they bought by cutting rates? They paid double the value of the steamers they bought. How can they earn profits unless they charge higher rates? And if they charge higher rates the British combine will charge lower, for they can do this and make money, which the Americans cannot. It may be replied, that the American combine is so powerful that it could induce Congress to keep cheap British tonnage out of the Atlantic trade by means of subsidies and discriminating charges. But England could retaliate by adopting a similar policy towards American shipping.

In addition to the remedy mentioned, and in a fair way of being applied, that is, the formation of a British shipping combine, others suggest themselves. They comprise a revival of the British Navigation Laws; the levying of a duty on American products now admitted free; the granting of substantial subsidies by the British Government and by the Canadian Government to a Canadian fast Atlantic line, and to two Canadian fast Pacific lines, one to China and the other to Australia, the government of which should also give a subsidy to the latter, and an increase of the subventions at present paid by the British Government to the owners of certain ships. This year, as in many years past, the total amount payable in these subventions is £63,000, distributed among seven companies, one of which is the Canadian Pacific Railway; and the amount paid to Royal Naval Reserve men employed on the ships of these companies is £200,000. Clearly, the optimists, amongst whom the new premier, Mr. Arthur J. Balfour, is to be found, have more reason on their side than the faint-hearted who are alarmed over the Morgan Shipping Combine.

MONTREAL STREET RAILWAY.

The passenger earnings of this Company last month were \$182,875, an increase of \$2,504 over June, 1901. Other earnings were \$4,787, an increase of \$4,231. These made the total earnings in June \$187,663. The operating expenses were \$80,655, which is \$17,126 less than in same month 1901, thus making the net earnings \$23,863 more than a year ago. The fixed charges, however, were greater by \$5,119, which reduces the surplus to \$87,615 against \$68,871 in June, 1901, the increase being \$18,743. For the past 9 months the surplus was \$453,988, an increase of \$30,700 over the same period 1900-1901. The expenses per cent. of car earnings in June were 44.10 against 54.21 in June last year.