

last week and in an interview with the Government, Dr. Chown suggested that legislation should be introduced to separate the bar from the hotel. His reason for this is that in fighting the bar the temperance people found themselves placed in a position "antagonistic to the other part of the hotel business which is perfectly respectable."

The change in attitude on the part of the temperance people is to be commended. Heretofore their agitation has been too sweeping in its condemnation. They are now broadening their view and admitting that it is the "treating" habit which should be eliminated, not the hotel business. With this limitation of their requests, the temperance reformers should get more support. Just how they can abolish bars without injuring hotels which perform a real service to the travelling public is a difficult problem, but one which must be solved. If attention is seriously directed to it, a solution satisfactory to all concerned will no doubt be found.

The problem of limiting the liquor traffic is both moral and economic. So long as the temperance advocates saw only the moral side, they estranged a certain measure of support. Now that they are broadening out, they should find their path much easier, because few reputable citizens will seriously defend the unrestricted sale of spirituous liquors by the glass.

OUR great-great-grandfathers were land-grabbers, so history tells us. Apparently we have learned very little in a hundred and fifty years, though we think we are a clever and extraordinary people. Our forefathers gathered in the titles to real-estate in a fashion which quite equals that practised by schemers in British Columbia and other parts of Canada to-day.

To be more definite: Mr. A. G. Bradley, the historian and the author of a new Life of "Lord Dorchester," tells how the Indians of the Six Nations were only kept from joining Pontiac's War by the influence of Sir William Johnson. These Iroquois were discontented because of ill-treatment at the hands of the British colonists in what is now New York State and elsewhere. Mr. Bradley says:

"Their grievances were genuine enough, for the land greed of the British colonists, from highest to lowest, led to the most unscrupulous and dishonest methods of acquiring patents to Indian lands, the most flagrant among which being that of plying the Indians with liquor and securing their signatures to deeds when drunk."

The land-grabbers of yesterday and to-day seem to have been much alike, both in what is now the United States and what is now Canada. This continent has been taken from the Indian, some by fair means, much by foul means. The process of taking is still proceeding. In the United States, a little is left, and the Federal Government is doing its best to resist the final encroachments. This is true of Canada also, although the lands subject to the ownership of the Red Man are more extensive. Gradually the sphere of the white man extends. A new "treaty" is announced and another district passes from Red to White.

The two great governments on this continent are perhaps doing their best to protect the Indian land titles, but they are white governments, made up of politicians

who have friends and who are amenable to the argument that it is "for the general advantage." Mr. Bradley does not mention this phrase, but certainly it was in use.

THE recent incorporation of the Dominion Power and Transmission Company, coupled with its relations to the Cataract Power Company, attracts attention to the way in which that hardy American financial plant, the holding company, is flourishing on Canadian soil. The HOLDING COMPANIES Rubber merger and others have already travelled the same road. In the United States the Southern Pacific holding company was the beginning of this method of control. The holding company is a corporation of corporations. The device is simplicity itself—a stock company to hold majority holdings in subsidiary companies. By exchanging its securities for those of the subsidiary companies it centralises control. When, in addition, it issues to the public its own securities—based as these are on holdings of securities in subsidiary companies and receiving their income from the return on such stocks—it enables control to be cheapened. For the public purchases of the holding company securities permits a minority holding to do what formerly required a majority holding. Under these newer conditions it is necessary only to control the majority holdings in the holding company in order to control the subsidiary companies; and the public purchase of securities goes far to reimburse the predominant interests the sums expended in obtaining control.

In the United States the holding company has been greatly developed in an endeavour to escape the indiscriminate prohibitions of the anti-trust legislation. The original Trust agreement of the Standard Oil Company was replaced by a holding company. The United States Steel Company is controlled in the same way. In the United States the holding company is at present under fire. When the Northern Securities Company was declared illegal, it was on the ground that this holding company was a combination in restraint of trade. The present proceedings against the Standard Oil Company are based on the same grounds. But the problem of monopoly which the American Government is facing is larger than the holding company device. For, so long as the interests, which have predominated in the holding company, hold, after its dissolution, the majority interests then there is still centralisation of control.

In the United States the refinements of financing found, for example, in the Rock Island Company, in which three companies are used to control a railway system, have enabled control by the ownership of a small minority of the capitalisation. The refinements made use of remind one of the logical sequences of the House that Jack Built, and show us how the financial tail may wag the dog. Canada has not followed the United States in prohibiting all combinations; it has accepted the position of the Common Law in distinguishing reasonable from unreasonable restraints. Hence the lessons of American experience are not wholly pertinent. But different as are the conditions, the holding company brings up not only the peculiar status of the small stockholder whose participation in control is minimised to the vanishing point, but also emphasises the increasing complexity of modern financial organisation.

A Civil Service Reform League

A FRIEND draws the attention of the Editor to the address of Professor W. S. Milner, of the University of Toronto, on "The English Public Service," delivered before the Canadian Club, on February 13th, 1905, and claims for the Professor some of the credit for the revival of interest in this subject. Mr. Willison, to whom the credit was given last week, will no doubt be willing to share the honours with Professor Milner, and THE CANADIAN COURIER is pleased to add his name to the record. There are others who should receive credit for assisting in the movement. Just now, however, we are looking for one thousand good citizens to join a Civil Service Reform League. Do you care? If so, put your name on a post card and address it to "Civil Service," care of THE CANADIAN COURIER, 81 Victoria Street, Toronto.