

CONSOLIDATING RAILWAY INTERESTS

The tendency of the times to reduce expenses and competition, by a process of amalgamation, is very evident in the railway interests, as well as in the manufacturing industries. The *COMMERCIAL* notices by the recent report of the Inter-state Commerce Committee, that there are fewer railway corporations in the United States than there were two years ago. For the year ended June 30th last, the report shows that no less than 92 roads, representing a mileage of 10,116 miles, disappeared during the year. This means that they were absorbed by or amalgamated with other companies. The further tendency to consolidate the railway interests is shown by the large amount of business controlled by a few roads. In a total of 1,735 railway corporations, 42 companies alone control about one-half of the entire mileage of the country. It is further shown that 80 companies receive 82.09 per cent. of the amount paid by the public for railway service. These 80 companies carried 67,008,118,436 tons of freight one mile, out of a total of 81,073,781,121 tons carried by all the roads. In proportion to the number of roads, the great bulk of the railway business of the United States seems to be done by a comparatively few companies. The tendency to consolidate the railway interests, notwithstanding the public desire for railway competition, is steadily making progress. Advanced thinkers in a certain direction may deduce from this that the preparation for the state control of the railways is gradually but inadvertently being worked out. At any rate, by the time the railway companies are all merged in a half dozen or so corporations, it would probably be an easier matter for the state to step in and take the management of them.

CHEAP WATER TRANSPORTATION.

Ocean freights have been very low lately as has been shown in recent numbers of *THE COMMERCIAL*. It costs more to carry wheat from some parts of England to Mark Lane, than it does to bring the grain from America, Russia or India. This of course includes the ocean freights in the latter case only, as against the railway haul from the more remote parts of England to London. This serves to show the great advantage of water transportation over railway carriage, the grain being carried thousands of miles by water about as cheaply as it is taken by rail hundreds of miles in England. These low ocean rates increase competition for the British farmers, but they give the British consumer cheap bread. Of course the great bulk of the wheat shipped from America, Russia, India, etc., has to pay freight on a railway haul before an ocean port is reached, so that the ocean rate does not represent the total cost of freight upon the grain in order to get it to a British port. The rate on grain from Atlantic ports to England—about 2 shillings per quarter, or 6 cents per bushel, seems low enough. Even from Pacific coast ports of this continent, which necessitates the exceedingly lengthy voyage around Cape Horn, almost circumnavigating a continent and crossing an ocean to boot, the rate is only about 7

shillings per quarter, or 21 cents per bushel—just equal to the freight by rail on 100 pounds of wheat the comparatively trifling distance from Winnipeg to Lake Superior. Thus the wheat grower in California can send his wheat to England at a less cost than the Manitoba grower can send it to Montreal, by several cents per bushel, barring of course the freight the Californian grower may have to pay to get his wheat to an ocean port. From Bombay to London the freight is equal to about 9 cents per bushel.

Here in the west we have a practical knowledge of the value of water transportation, in the reduced freight rates during the season of navigation on the lakes, imperfect even as is this system of water communication. To the improvement of the St. Lawrence route we must largely look, for the cheapening of transportation to and from the west in the future, and *THE COMMERCIAL* believes the day will surely come, when grain will be carried through from the head of Lake Superior to tide water, at surprisingly low rates. The fact that wheat has been carried by water from Chicago to Buffalo for 1 cent per bushel, indicates what may be done by the further improvement of the more difficult channels and passages between Lake Superior and the ocean.

MANITOBA WHEAT FOR MACARONI.

The manufacture of macaroni is an industry which might be carried on to good advantage in this part of Canada. Macaroni is manufactured from wheat, but only a particular class of wheat is suitable for the purpose, and our northern wheat should possess the required properties to a remarkable degree. Macaroni is made more largely in Italy than anywhere else, and also largely in France, and on this account some may suppose that it requires a soft southern wheat to make macaroni. The fact is, exactly the opposite is the case. The Italian and French manufacturers bring their wheat from a province in Russia, which produces a very hard and flinty wheat. The flintier the wheat, the better the quality of macaroni produced. We should be able to produce a wheat here which would excel even the Russian wheats in these properties.

Large quantities of macaroni are consumed in various parts of the world, and the industry is an important one. It would, therefore, seem worth while inquiring into the possibilities of establishing a paying macaroni industry here. Manitoba wheat already has a wide reputation, and perhaps, with a little effort, we might be able to secure the same reputation for Manitoba macaroni.

PROTECTING RASCALS.

Why should dead-beats be protected by law, is a matter that puzzles many. There are various ways in which the law seems to operate as a shield to the dishonest. This is perhaps unavoidable to some extent. In order to protect the honest and the innocent, the law has to be so constructed as to unintentionally provide means of escape for the dishonest and the guilty. Some laws, however, seem to operate more in the interest of the dishonest than of the upright. There is one class of dishonest

persons who are protected, perhaps not by law, but from law, in a way that seems altogether unwarrantable. We refer to the exemption from garnishee enjoyed by civil servants of the Dominion and provincial governments. Mr. Martin, late attorney-general of Manitoba, deserves thanks for abolishing this condition so far as applied to officials of the province. Under his heroic administration of the department in his charge, civil servants of the province were given quickly to understand that they must pay their bills, and a law was passed making all provincial civil servants liable to garnishee. Thus a reproach was removed from the position of an employee of the government. Dominion employees, however, are still exempt from garnishee proceedings, and how they abuse this privilege, is disgracefully notorious.

Mr. Magrath, in the territorial legislature at Regina, lately proposed a resolution to the effect that the legislative committee be asked to prepare a bill making employees of the territorial government subject to garnishee proceedings. The resolution was adopted, and the principle involved will no doubt be carried into effect. Thus the example set by Manitoba is likely to be adopted at once in the territories. Now, if the Dominion government would just make a move of the same nature, a very disgraceful condition of things would be corrected. Civil servants as a rule receive good salaries, but this does not cause them to always pay their bills. As a class they are afflicted with a good many dishonest ones among their number, who to a certain extent bring reproach upon their associates. Honest employees of the government will not desire special protection to enable them to be dishonest, and dishonest employees should not receive such protection. It is this exemption from prosecution for debt which allows dishonesty to flourish among government employees, and leads to the harsh remarks made against the honesty of civil servants as a class. It is unjust, however, to reproach the honest for the doings of the dead-beats who infest the government offices, and in the interest of the upright employees, as well as the public, the special exemption of civil servants should be removed.

DEGRADING THE WHEAT STANDARDS.

No. 1 northern Minnesota wheat, which is the standard grade of Minneapolis and Duluth wheat, is selling relatively lower than No. 2 Chicago regular, as will be seen by quotations from week to week in *THE COMMERCIAL*. Chicago No. 2 regular wheat has been selling 8 cents per bushel higher than No. 1 northern at Minneapolis. This is owing to the degrading of the Minnesota standards. Minneapolis and Duluth No. 1 northern is not as good a wheat as Chicago No. 2 regular, by several cents per bushel, notwithstanding the general belief as to the superiority of the northern wheat. It is said that Minneapolis No. 1 northern would only sell as number 3 at Chicago. It is quality and not the name of the grade, which counts, hence the difference in the price.

This will teach a lesson in connection with the grading of Manitoba wheat. There was quite an outcry raised this year that the Mani-

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