

handle the Moose Mountain ore. Towards these various improvements they asked the Whitney Government to give assistance by extending the provincial guarantee to cover an additional two and a half million issue of debentures. The Whitney Government agreed to do so, but upon the proviso that the whole of the guarantee, the old and the new, should be represented in a new mortgage made to cover the whole of the road, including all its branches, and including also the terminals at Key Inlet and Toronto and the Cherry Street and Don Flat yards in the latter city. To this the company agreed, and a new mortgage will be taken, applying to the whole property of the road, and covering the whole amount of the loans raised by the Canadian Northern with the aid of the provincial guarantee.

A MUCH BETTER ARRANGEMENT.

Under the old arrangement, if the company had failed, the province under its mortgage would have had for security a road running "from nowhere to nowhere," and over which it could not have done any business without paying tribute to whoever might chance to own the terminals. Under the new arrangement, if the company fails, the province will for a cost of something like 65 cent per dollar step into the sole ownership of a complete and perfectly equipped railway system, with adequate terminals, and with millions of business ready to its hand in the great Moose Mountain iron deposits. Moreover, by the construction of a connecting link between the James Bay road and the Temiskaming and Northern Ontario, the province would come into possession of an independent through line from Toronto to the Cobalt region and beyond, which would ultimately be developed into a great provincial railway connecting Lake Huron with Hudson Bay. From a public ownership standpoint, the only pity about the arrangement is that the province is never likely to be called upon to make good its guarantee. Such a railway system as that outlined, if the province ever had the luck to fall in for it on such terms, would be a very fine thing for the province to own, and would give Mr. J. L. Englehart a chance to show what public ownership of railways under favorable conditions could really be made to do.