

bad wrecks have recently occurred. The work we have already done in improving tidal records has been greatly appreciated by marine interests.

"With reference to the pilotage on the St. Lawrence, it is my intention to consider the question of improving the pilotage system and the management of the pilotage commissions, so that none but competent men shall be employed or appointed, with a view to the better protection of lives and property.

"Among the important services are the hydrographic surveys. Surveys have been made on Lake Huron, Georgian bay, Lake Winnipeg, St. Lawrence River, the coast of the Maritime Provinces and the coast of British Columbia. Hydrographic charts have been made and completed of the various waters referred to, and it is now my purpose to extend the survey to Lake Superior, and for this purpose a steamer has been purchased and is now being fitted out to begin the survey at the opening of navigation.

"The meteorological service includes storm warnings and forecasts of the weather issued from the central office at Toronto for the great lakes and harbors in the Maritime Provinces and British Columbia. The forecasts and storm warnings are greatly appreciated by mariners and also by forwarders of perishable goods, who are guided in their operations of shipments by them. The importers and exporters of fruit have manifested their appreciation of these forecasts and have taken advantage of them.

"The inspection of machinery, hulls and equipments of steamboats forms a very important service, and this has recently been extended to steamers trading between points in British Columbia and Skagway in the U.S. and other portions of Alaska and the lakes on the way to the Yukon country.

"The Department has a fleet of 20 vessels, including those used for fisheries protection service, representing a value of over \$1,000,000, and the cost of maintaining them amounts to over \$350,000 annually. These vessels are occupied at the lighthouse and buoy service, hydrographic work, and the protection of the fisheries, as well as the winter mail service between Prince Edward Island and the mainland."

B. E. Walker on Water Transportation.

The General Manager of the Canadian Bank of Commerce said at its recent annual meeting:—"I will close my remarks by once more referring to transportation. The tonnage out of Montreal has decreased every year since 1898. Our foreign trade grows steadily, we own the most direct waterways to the Atlantic from the interior, we have fine harbors, we are nearer Europe than our neighbors, and yet we allow our products to reach Europe through the U.S. instead of to some extent reversing the situation. Is it not time for us to realize that this is a subject not only transcending in importance almost all others connected with our material well-being, but one which will require such a large and courageous treatment by our Government that the people of Quebec, Ontario, and Manitoba should leave our ministers in no doubt whatever as to their opinion in the matter? It seems useless to pretend that the conditions of navigation from Montreal to the deep Atlantic are all that they should be. We know that they are not. If the insurance companies and our shipping men say that we need more lights, that our system of pilotage is obsolete, and other derogatory things, their statements are doubtless true, and it will do no good to deny them. What we must do is to so improve the St. Lawrence route that insurance and shipping men cannot continue to make these statements. But in order to

accomplish this we may have to run counter to local prejudices favoring the existing order of things, and unless we are determined to effect reform these local conditions will remain unchanged. When the St. Lawrence route is all that it should be we may find it necessary to still further enlarge our canals, and even under present conditions we need more and larger vessels on our lakes. But if other conditions were as they should be, we might hope that vessels suitable for our lake traffic would soon be created. At the moment we can but hope that such a cry for the improvement of our waterways will go up from the Canadian people that no Government will dare to disregard it."

Northern Navigation Co. of Ontario.

The annual meeting was held at Collingwood Jan. 28. The report showed that the net profits for 1901 from all sources were \$80,967.90. Out of this two semi-annual dividends of 5% were paid, one on June 30, on \$321,700, amounting to \$16,085, the other on Dec. 31, on \$560,000, amounting to \$28,000. There was transferred to rest account \$25,000, leaving \$11,882.90 to credit of profit and loss account. During the year \$19,719.70 was expended on outfit and improvements, all of which was charged to current expenses. This account could have been much less, but the policy of the Co. being to keep its steamers and equipment always first class, has been closely followed throughout. A new electric light plant was installed on the steamer City of Toronto, and several other important improvements made, which have been treated as current expenses. The rest account now amounts to \$50,000, and the balance at credit of profit and loss account is \$12,356.11. The business of both this Co. and the Northwest Trans. Co. (in which the N. N. Co. holds a majority of stock, \$153,000) during the past year has been satisfactory, and with the introduction of the new steel steamship Huronic into the N. W. T. Co.'s business, there is every likelihood that the business for the future will be greatly increased. Both the N. N. Co. and the N. W. T. Co. were free from accidents during the year. The N. N. Co.'s steamers Atlantic, Majestic, Germanic, Britannic, City of Midland, City of Collingwood, and City of Toronto, are all well and carefully laid up at Collingwood, and, as usual, such repairs as may be required to maintain the high reputation of the Co.'s fleet, will be made during the winter. The same may be said of the N. W. T. Co.'s steamers, the United Empire and Monarch, which are laid up at Sarnia, and the steamer Huronic, which is being completed at Collingwood, will be ready for next season's business.

LIABILITIES, DEC. 31, 1901.

Capital stock	\$560,000 00
Rest account	60,000 00
Profit and Loss account	12,356 11
Liability to shareholders	\$622,356 11
Accounts payable	5,324 79
	\$627,680 90

ASSETS, DEC. 31, 1901.

Seven steamships belonging to N. N. Co., including N. N. Co.'s interest in N. W. T. Co.	\$596,274 01
Buildings, interest in dock, fuel, diving apparatus, machinery, wrecking hawser, etc.	16,250 68
Unexpired insurance	1,072 21
Accounts receivable	1,863 52
Bank of Toronto	12,211 48
	\$627,680 90

The report, etc., having been adopted, a by-law was passed authorizing directors' meetings to be held either at Collingwood or Toronto, instead of at Collingwood only as heretofore. The election of directors terminated the meeting.

The directors for the current year are: President, J. Scott, Toronto; Vice-President, J. J. Long, Collingwood; Secretary, T. Long,

Toronto; Treasurer, C. E. Stephens, Collingwood; other directors, W. J. Sheppard, Waukegan; C. Cameron, Collingwood; E. B. Osler, Toronto; F. A. Lett, Barrie; H. E. Smith, Owen Sound; W. Hendrie, Hamilton. All the foregoing were on the board last year except W. Hendrie, who takes the place of M. Burton, of Barrie, who has disposed of his stock. Mr. Smith died since the recent annual meeting.

On Dec. 31, 1901, the Co. had 154 shareholders, those holding \$5,000 or over of the stock being Osler & Hammond, Toronto, in trust, \$143,700; Osler & Hammond, \$10,000; T. Long, Toronto, \$41,000; J. J. Long, Collingwood, \$40,900; C. Cameron, Collingwood, \$25,100; S. D. Dodge, New York, \$25,000; H. E. Smith, Owen Sound, \$15,500; Toronto General Trusts Corporation, \$14,000; C. Stephens & Co., Collingwood, \$10,400; H. J. Grassett, Manager, Barrie, in trust, \$9,000; M. Burton, Barrie, \$8,000; J. L. Burton, Barrie, \$7,900; W. J. Sheppard, Waukegan, \$7,600; G. W. Morden, Oakville, \$6,500; Estate of C. McKenzie, Quebec, \$5,000; Jas. Scott, Toronto, \$5,500; C. Robinson, K.C., Toronto, \$5,000; Mrs. E. S. Shoenberger, Toronto, \$5,000; Rev. R. H. Warden, Toronto, \$5,000.

Canada's Coasting Regulations.

The application recently made by Montreal grain shippers to the Dominion Government to permit U.S. vessels to carry grain from Port Arthur and Fort William to other Canadian ports, was one which was rightly refused. By sec. 2, chap. 83 of the Revised Statutes of 1886, it is clearly and distinctly laid down that "No goods or passengers shall be carried by water from one port of Canada to another except in British ships," and the only exceptions provided for by the act are in favor of the vessels of any foreign country in which British ships are permitted to trade coastwise on reciprocal terms, and the vessels of such countries as were entitled to trade coastwise by treaty made with the Imperial authorities prior to the passing of the Imperial Act, for "amending the law in respect to the coasting trade and merchant shipping in British possessions." There is no authority in this act either express or implied by which the Government can suspend the act, and permit U.S. vessels or the vessels of any other country to trade coastwise in Canada, unless British vessels are permitted to trade coastwise in the U.S. or such other country.

In 1899 the Government, under pressure from Montreal and other grain shippers, suspended this act and permitted U.S. vessels to engage in the grain trade for a few weeks at the end of the season on account of the alleged scarcity of Canadian bottoms. Canadian shipowners protested, the Government was told by the Governor-General through the Minister of Justice, that it had acted illegally in giving the permission it had done, and as a result Sir Wilfrid Laurier stated that in future Parliament alone would open the coasting laws to foreign vessels. This is the only position that the Government should take, and as Parliament is not in session at the time when these applications are in the habit of being made, there should not be any future suspension of the act. The U.S. Government will not permit even the smallest relaxation of its coasting regulations, and until it does Canada should protect her own ships and secure to them the carrying of all the trade between her own ports. Hon. J. I. Tarte, speaking at Toronto recently, endorsed the refusal of the Government, and added, "If we have not ships enough for our trade we must build them." This is the true solution of the difficulty, we must build more ships, and build them too in Canada and of Canadian material. That this can be done has already