

numbers of gallons of oils consumed, & average cost per 1,000 miles, which are examined by the auditors of the railway & the Galena Co. If it is found that the cost has exceeded that guaranteed, the Galena Co. either pays the excess to the railways by cheque, or receipts vouchers for oils furnished to balance the amount of the excess, as the railway management may prefer. This form of contract, guarantee & settlement is the same as the Galena Co. has with the managements of 95% of the total railway mileage of Canada, the United States & Mexico, which would seem to be a sufficient justification of the action of the Minister of Railways in making the contract. The Canadian Pacific management, on the expiration of a three years' contract with the Galena Co., recently entered into another contract for five years; the Grand Trunk, the Canada Atlantic & other lines in the Dominion, have similar contracts, & enquiries we have made of the managements enable us to state that they are in every way satisfactory. Of course the general public never hear of these contracts when entered into with roads under private ownership, but directly a contract is made with a government line it is taken up for political purposes. We may add that the Galena Co. states that during the first year its contract on the I.C.R. saved the Government over 13% of the previous cost per 1,000 miles, instead of the 10% guaranteed, that it is never possible to do as well during the first few months of a contract as later, when those using the oils have become accustomed to their use, & that it is believed the future will show a still greater saving.

Repudiation in British Columbia,

The remarks made in our last issue as to the effect of Jos. Martin's participation in public affairs in B.C. are fully borne out by a special correspondent of the Toronto Globe, who, writing from Victoria, says that the effect may be best understood by comparing the state of affairs when he entered into active political life with present conditions. At the former time the country generally was prosperous & the outlook very hopeful. After showing that legislation pushed through by Martin, especially the alien law relating to the Atlin district & the eight hour law relating to mining, has had a disastrous effect on the mining industry, the correspondent shows the effect on investments. He says:—"At the beginning of last year the mines in the Kootenay district were becoming a favorite field for

the investor of British capital, but immediately the labor troubles began all that capital was diverted & it was almost impossible to obtain any investment of British capital in British Columbia mines. The fact that such an act could be passed & a Government found ready to carry it created so much alarm that mining interests became also paralyzed. A general policy of repudiation was also inaugurated with reference to several bonuses which had been passed by the Legislature & on the faith of which considerable capital had been invested. There was a railway, known as the Ashcroft & Cariboo, which had been incorporated with a considerable land grant. The promoters of this road, after much effort, had made arrangements for obtaining the necessary capital. For this purpose they had invested a good deal of money & spent a good deal of time & labor. The wording of the act provided that upon the completion of the railway the Government 'may' grant bonuses. It was generally understood that under the circumstances the word 'may' was equivalent to 'shall.' Mr. Martin took the opposite view, & although he was acquainted with the circumstances, repealed the act granting the subsidy. The result was that the promoters lost the benefit of all the money they had expended, & great alarm was caused among those London capitalists who had been prepared to invest in provincial enterprises.

"The Turner Government, in the last session before it resigned, brought in a subsidy act providing for the building of a railway from the coast to Penticton & Midway, in the Boundary country. This undertaking was divided into two sections. In accordance with the provisions of the act, two separate contracts had been entered into by the Government for construction. The subsidy act in each case provided that in every contract a provision should be inserted that the work should be done to the satisfaction of the Lieutenant-Governor-in-Council, & should be commenced on a certain day. With reference to one of the sections it was agreed between Mr. Turner & Mr. Eberts, the Attorney-General, representing the Government, & the contractors, that certain specified work should be performed during 1898 & 1899, and that that work, when done, should be deemed to be work done to the satisfaction of the Lieutenant-Governor. On the faith of that understanding a contract was signed by the contractors, & they duly performed their part of the work. When Mr. Martin took office he declared that this work, although done under

the agreement referred to, was not work done to the satisfaction of the Lieutenant-Governor-in-Council, & cancelled the contract.

"On the other contract the time for the beginning of the work had not arrived, & this contract was cancelled, although no default had been made. In furtherance of this executive act Martin brought in a bill repealing the subsidies to this road. As a result of this action a petition of right, on the part of the contractor, has been laid & a suit is now pending with the Government, in which the contractors claim large damages for repudiation of contract.

"These things have had a very unfortunate effect on the country. Business has been demoralized, capital has been turned away. It would be scarcely possible to believe that it was in the power of any one man to accomplish so much evil as has been done in one year."

This plain statement of facts, from a paper on the same side of politics as Martin, fully justifies all we have said. Until British Columbia repudiates him & show unmistakably that they will not endorse him or his methods, no one would be justified in investing in any enterprise there which can be in any way affected by provincial legislation. This may be hard on the province, but the remedy is in the hands of the people there.

Legislation in Quebec.

Among the acts passed at the session of the Quebec Legislature, which closed Mar. 23 are the following:—

Respecting a grant to the Quebec Bridge Co. & subsidies to certain railway companies. Respecting the construction of telephone lines.

To further amend the charter of the Quebec Central Ry. Co.

To confirm an agreement between the C.P. R. Co. & the Hull Electric Co.

To incorporate the St. Hyacinthe Electric Ry. Co.

To incorporate the Great Northern Elevator Co.

To amend the charter of the Napierville Jct. Ry. Co.

To give additional powers to the People's Telephone Co.

To confirm certain by-laws of the town of Joliette, & a deed of agreement between the town & the Great Northern Ry. Co.

To amend acts relating to the Quebec & Lake St. John Ry. Co.

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