many a day, but the husbandman is untroubled. For he knows that his seed has fallen upon good ground, and that, from far below, those life-streams are flowing ever upward which will carry his hundredfold corn white unto the harvest."

REDEMPTION OF G.T.R. BONDS.

Ordinarily speaking, it would have been excellent financing for the Dominion Government to redeem the guaranteed three per cent. bonds of the Grand Trunk Pacific Railway. Whatever the intention of the original grant, there is no going back of the decision of the Privy Council that the Government guarantee of the principal as well as the interest of these bonds must be held to refer to the par value and not to the issue price. Since at the present value of such securities the issue price is just now about 80, it looks like a wise move to buy them up, as opportunity offers, rather than to have them presented for redemption at their par value of $100. As a matter of fact just under fourteen million dollars worth of these bonds have been taken in by the buying agents of the Government.

It is, however, unfortunately true of our party form of politics, that the matter of party advantage is often found to attach itself to actions of the dominant side in the game. No doubt there is something spectacular about the attitude of the Minister of Finance towards these securities. Whatever reflection may have been intended upon the financial ability which made the original bargain with the promoters of the Grand Trunk Pacific Railway, by the thoroughly well announced action of the Dominion Treasury officials, falls flat when the exceptional circumstances of the time is considered. No prophet, without miraculous inspiration, could possibly have foreseen from the standpoint of even a couple, or three years ago, that three per cent bonds would be quoted at 80 in this year of grace. The times are, as we said, exceptional. So much so that a grant of securities welcomed by the whole financial world as well worth subscribing to at par now actually yielded to the issuing guarantees twenty per cent less than they were intended to yield. Naturally there was nothing else to be done, as an ordinary matter of business, than to buy them in when it was possible to save twenty per cent by doing so. No doubt the Honourable Mr. White would agree with this presentation of the matter, whatever ardent political followers of his party might like to claim.

It is intended to buy up the whole of this series of guaranteed bonds, rapidly as possible. The decision of the Privy Council really letf no other course open to the Finance Minister. It is hardly likely that even with the revenue of the country at its present satisfactory standing, it will be found possible to save the country the whole expense of these bonds. Others will presumably replace them, at more burdensome rates. With the heavy burden of Canadian development upon our shoulders it is scarcely to be expected that the Ottawa administration intends to ask us to shoulder the burden of Parliament agreed to leave for posterity and to look after, fifty years hence. Unless this be the intention—which we cannot believe—if the G.T.P. follows the lead of the C.P.R., the redemption of these three per cent bonds may not appear so very commendable to our descendants of the next half century. Naturally no new issue will be announced yet awhile. The country will pay the interest on the money in any case, and such is the equalizing quality of financial markets, at current rates at all times. There will be some curiosity to see how the country comes out of the affair of these fifty year guaranteed as to interest and principal bonds in the long run.

Meanwhile as a measure of temporary relief a loan of not exceeding $15.000,000 has been made by the Government to the Grand Trunk Pacific at four per cent, the loan to be repayable in ten years. This is probably a full one per cent better than the Company could have done for itself at this time, and will be considered a very proper method of granting the assistance necessitated by the increased cost of construction due to the terribly high expense of living, and consequent enlarged wages and purchasing cost of material. Whatever may be thought in some quarters regarding the question of the righteousness of bonussing railways, no one will object to the hurrying on to a speedy completion of this important competitive road.

MAYOR LAVALLEE OPPOSED TO PRESENT SYSTEM.

Mayor Lavallee has come to the conclusion that the present system of Government by Board of Control and Council as practiced in Montreal, is a failure. This is something we have claimed all along, and have often been criticised for our frank statements in regard to the failure of the present system. As we pointed out on many occasions, the Legislative Assembly did not properly define the rights and privileges of either the Board of Control or the City Council. As a matter of fact, they left too much power in the hands of the City Council, and as a result, this body has always been able to thwart the wishes of the commissioners. The present system is neither Government by commission, nor