

NOTES OF THE MONTH.

By An Observer.

CANADA.

The most important question to Canadians, at present, is the Contract with the Syndicate for building the Pacific Railway.

It may be allowed briefly to recapitulate the principal conditions.

The line is divided into four unequal sections: the Eastern, the Lake Superior, the Central and the Western.

Of these the Syndicate equip all and build two—the Eastern and the Central. The Government build the Lake Superior and the Western.

Speaking approximately, the Syndicate build 2,000 miles and the Government 700—a portion of which has been completed and most of it is under contract.

The Company to build their part in ten years, building both sections simultaneously, and to maintain efficiently, work and run the road, when finished, forever.

For this they receive \$25,000,000 cash and 25,000,000 acres of land. And the following privileges:—

Perpetual exemption of the road and equipments from taxation.

Exemption from taxation of their unoccupied or unoccupied lands for 20 years from the time of their having been granted.

Protection from any line competing for any portion of the through traffic for twenty years from date of contract—i. e., for ten years after the road is finished.

Importation free of duties of certain materials used in original construction of road, principally steel rails and fastenings, timber and iron for bridging, telegraph wire and apparatus.

Government lands sufficient for the road bed of any branch line, of which the Governor in Council approves the location.

As to the value of the work done, or to be done, by the Government, the Minister of Railways values it at \$28,000,000. The Opposition call it \$31,000,000. This, so far as the country is concerned, makes the cash subsidy \$53,000,000, or \$56,000,000.

As security for the performance of the contract, the Government hold, until the road is built, \$1,000,000, deposited by the Syndicate, on which they allow 4 per cent interest; and, for three years after completion, 20 per cent of the lands granted, or of the proceeds of their sale.

This is the battleground on which the fight is raging. It is most amusing to notice how each side is now embarrassed by its own former arguments. A year ago Mr. Blake exhausted his rhetoric in endeavors to appal the country with the immense sum it would take to build the road and the enormous annual loss that would be incurred in running it; while, under his deft handling, the value of the lands ran down and down until, when expenses of sales and management had been met, it reached the vanishing point. On the other hand, Sir Charles Tupper—somewhat less confidently, it is true, for he had the responsibilities of office upon him—strove to put down the cost as low as possible, and to encourage himself and the country with hopeful calculations as to the value of the lands. Sir John, whose strong point is not figures, in his airy way, worked off the lands rapidly at a tremendous price, and brought imaginary millions rolling into the Treasury from imaginary sales.

But, now, all this is changed. Mr. Blake once more stands aghast. But this time, it is at the immense fortune that this "soulless corporation" will amass from the proceeds of vast tracts of valuable lands which they get merely for building some trifling hundreds of miles of railway; while the Minister of Railways draws a deep sigh of relief, and congratulates the country upon being rid of an incubus. The situation forcibly reminds one of the stage directions near the end of Hamlet, "Laertes wounds Hamlet, then in scuffling, they change rapiers, and Hamlet wounds Laertes."

However, let us try and judge impartially the force of the arguments for and against the scheme.

The Minister of Railways makes the following points:—

The country and both political parties are committed to the building of the road. Both parties agree that the work can be done better by a private corporation than by Government.

His next point, if tenable, is a very strong one:—

Assume an average value for the lands and apply the same price to all the offers, and this is the most favorable yet. Take \$1 an acre. The original proposition was \$30,000,000, and 54,000,000 acres (including branches), equal to eighty-four and a half millions.

Again, in 1874 Mr. Mackenzie proposed to give \$10,000 and 20,000 acres a mile, and then called for tenders to state the lowest additional amount per mile on which contractors would require a guarantee of four per cent. No tender for the whole came; but a tender for eighty-five miles was accepted, guaranteeing interest for five years on \$7,500 per mile, in addition to the cash and land subsidy. Capitalizing this and applying the same rate to the whole line would make the total cost nearly one hundred and five millions; and yet this contract had to be cancelled from the inability of the contractor to finish it. Of course it is almost impossible to judge whether that particular eighty-five miles was a fair average section. But the strength of the argument lies in the fact that no offers could be got at any price on this basis.

Last session Mr. Blake estimated the cost of the road at one hundred and twenty millions. The present contract, taking the same value of lands, is for seventy-eight millions or eighty-one millions, according as we take the lower or higher value of the work done by the Government. Of course the justice of these offers depends upon the road being of the same standard at the

different periods. Unfortunately, as we shall directly see, there is no little uncertainty as to the standard now adopted.

Further, there is a general consent that for a time at least the road will be run at a loss. From this loss the country is relieved.

It is also claimed, and the claim seems a very reasonable one, that the Government have secured the best immigration agents imaginable. To settle the country is a matter of life or death with the Syndicate. A large immigration means large land sales at good prices, plenty of traffic for the road, and great fortunes for themselves. A failure to induce immigration means ruin to them, or, at least, no gain. We have then, in England, France, Germany, the United States and Canada, men of great wealth and influence, who have the strongest possible inducement to strain every nerve to bring emigrants into the country, and to develop its resources. This argument is a very strong one.

With one exception the objections of the Opposition do not appear at all weighty. That one objection is the ambiguity regarding the standard of the road. The words of the contract are the "Union Pacific Railway, as the same was when first constructed." If this means the road as it was when, in 1873, the United States Government accepted it as completed, it is pretty generally agreed that the standard is a good one. If it means the road as it was when the rails were laid all through, in 1869, it is as low as it well can be. If the contract were for a road to be built by a company and then handed over to the Government, the defect should be fatal, and ought to ensure the rejection of the contract at any cost. It, of course, makes a great difference that the Syndicate are building a road for themselves, and one which they must run and maintain, so it will be to their interest to make it a good one. This makes it probable that the accounts from Ottawa, which state that both parties understand the road of 1873 to be the standard, are true; and if this is now appended to the contract, or embodied in the Act of Incorporation, the back of the Opposition will be broken. But it is a matter that should not be left to "understandings"; and that room was left for such a question to arise, must always remain a point scored against the Government.

The Opposition seem to have taken their other objections in fulfillment of the obligation laid upon them by the principle that "it is the duty of Her Majesty's Opposition to oppose."

It is absurd to talk about creating a monopoly in land when for every acre that the Syndicate hold, the Government hold at least three, one of which is along the very line of the road. It is evident that the Government rule the price. The Syndicate cannot go above the rate at which they sell. And it is worth noting that the Government are free to sell at any price, or to give their land away. Along the line of the Northern Pacific Railway, the United States Government has bound itself to sell no land lower than \$2.50 an acre, and the plan attempted by the late Mackenzie Administration in 1874 contained the same obligation. But, under this agreement, the Government hold their land side by side with that of the Syndicate, and can sell it any price—in other words, can fix the price of land along the line of road. There is no appearance of a monopoly. The provision that the land should be fairly fit for settlement is a reasonable one; and it is quite incorrect to say that the Syndicate can take it from wherever they please. They must take it in blocks of the same size as the other, and in blocks alternately with Government lands; it must be on a branch line of railway to be built by them, or on a line of frontier agreed upon by them and the Government. As it is estimated that the North West contains one hundred and fifty millions acres fit for cultivation, it is evident that the possession by the Company of a balance of their twenty-five millions will hardly create a monopoly there.

The exemption of lands from taxation is only while the land is unoccupied, and even that exemption continues only for twenty years.

Exemption of a road from taxation is not uncommon. The Northern Pacific has an exemption for a width of 400 yards, the Canadian Pacific of only 100.

Both these exemptions are of course valuable to the Syndicate. They are part of the consideration, and are given in a way much less burdensome to the country than an increased money grant would be.

As to the profits to be made by the Syndicate, no one would expect them to take hold of a work of such magnitude without strong grounds for anticipating a large profit. The country wants the road built certainly and immediately; and nothing but the prospect of large gains—noting but a wide margin to cover all probable or possible contingencies—would induce any responsible capitalists to bind themselves to do the work immediately and certainly. But, in estimating their profits, two facts should be remembered. One, that the cost of running the road will, for some years, be more (Mr. Blake says many millions more) than its receipts; and this balance must be added to the original cost before the profit can begin. Another and most important consideration is this: Profits can only come to the Company from their lands; \$25,000,000 won't give them any fortune after building their share. The land is now practically valueless. The railroad, alone, will give it any value; and, for every acre that the Syndicate own, the Government own many more. If the Company are going to get great wealth from the road, the country must directly and immediately get much greater from the increased value of its far larger quantity of land. And, further, every acre of land sold by the Syndicate is evidently a great gain to the Dominion, for it will be sold to settlers whose labor will increase the wealth of the country, of whose consumption of dutiable articles will increase the revenue, and whose property must take its share of taxation. If the

Syndicate makes money it can only be by filling the country with emigrants and by making, by their exertions, a great deal more wealth for the whole Dominion than they can possibly make for themselves.

The power given by the General Railway Act, 1879, enables the Government to compel a sufficient service; and to con fine rates for freight and passengers within reasonable limits.

A fair review of the whole case would seem to show that, if the Road is to be of the standard of the Union Pacific of 1873, the terms should be accepted without hesitation, as by far the most favorable that have ever yet been made. This standard not being certainly adopted, would scarcely justify their rejection—the Syndicate itself having so strong an interest in building a durable road.

Of course it is quite possible to point out half a dozen ways in which the contract could be much more favourable to the country. But that is not the question. There must be two parties to every bargain and the question is—Are there any probable grounds for supposing that responsible capitalists can be found to take less favourable terms than those secured by the Syndicate. An assertion in the affirmative can have no weight, unless accompanied by some evidence that such better terms could be made.

EUROPE.

This time last year an Irish famine was dreaded. To-day the fear is for a rebellion. An army of 30,000 troops occupies the country. It is really a hostile occupation. This force keeps down any actual outbreak. But the Queen's Government is practically in abeyance. Writs cannot be served, witnesses dare not testify, jurors state to the court openly that they cannot give in verdicts—for to give a verdict according to their oath would cost them their lives. Meanwhile, houses are burnt down, cattle are maimed and mutilated, and men are shot like vermin. One of the last cases of murder was wholly unconnected with the Land question. A shopkeeper attempted, by legal process, to collect a debt due him. The constable was shot by the man to whom he was sent. The Irish are quick-witted enough to see that one kind of debt is as bad as another, and that if it is praiseworthy to shoot a bailiff who serves a process for rent, it cannot be wrong to murder one that is trying to collect a shop debt. Scarcely a year ago, the British Parliament, flushed with a great Liberal victory, hastened to repeal the Act which restrained and regulated the sale of firearms in Ireland. Mr. Gladstone felt sure that the need for exceptional legislation was past, and that the curative effects of his former legislation on land and church matters were so great that all would now be peace and quietness. The present condition of the country is the comment of time upon the political sagacity that took that step. The meeting of Parliament has been delayed until the 6th January. That a Gladstone Administration should, for a second time, break on the rock of Irish policy, is far from improbable.

It is a comfort to be rid of Dulcigno. After all the delays, Dervish Pasha forced an entrance into the town, defeating the Albanians with some loss, and handed the place over to the Montenegrins. The Greeks seem encouraged by this result to press for their new frontier. But the powers are heartily sick of "demonstrations," and the ill-compacted union has dropped to pieces. The French Yellow Book on Foreign Affairs, lately presented to the Chambers, will certainly give the Sultan more encouragement than ever to resist the "united pressure" of Europe. The blunderbuss presented at his head was, if loaded, certainly not primed. It appears that the French joined on the express stipulation that they were to take no part in any active operation; and other powers were equally cautious in the conditions on which they took part in the demonstration. Greece has been requested to submit to an arbitration. What she will do can hardly be known until the spring.

A very remarkable agitation has arisen in Germany against the Jews. An Anti-Semite league has been formed. The agitators state that the press is almost wholly Jewish; that the banking influence is in their hands, and that, by means of it, they are gaining the upper hand everywhere; that they are non-producers, who by usury suck the life blood of the country. "On a late occasion," said a speaker in Parliament, "a post mortem examination was held. There were present the district physician, the lawyer, the surgeon, and a fourth official, all Jews, and none but the corpse a German. Behold a picture of the present!"

The objection, on the part of the German to the Jew, seems very similar to that which the roughs of San Francisco, or of Denver, have to the Chinaman. The Chinaman, being more frugal, more sober and, as truthful James explained, more astute than his Caucasian competitor, the latter protests against his rivalry, and, being stronger, proceeds to demonstrate his superior civilization by sacking the Chinese quarters, acting just as the roughs of the middle ages did to the Jews of that time. European civilization is so far ahead of American that we do not now read of the Jews being physically ill-treated in Germany. But petitions are being circulated, urging the Cabinet to limit Jewish immigration, to exclude Jews from all offices of authority, to prevent them from becoming teachers in Christian schools, and to institute a Jewish census. It is generally believed that Bismarck and the Government look with no disfavor on the agitation, though they can scarcely venture to impose any disabilities on the Jew.

In France, the Ferry Administration has had a fall; and though the attempt has been made to set Humpty-Dumpty up again, there is no doubt that the truth of the nursery rhyme will be fully vindicated. The Republic can scarcely be said to have grown stronger during the past year. The relations of the political parties are going more strained; and the expulsion of the religious orders has caused great irritation.

One of the worst symptoms of the state of affairs is the strong effort of the Left to render the magistracy removable at pleasure. If history teaches one lesson more certainly than all others, it is that a judiciary holding office at the will of the Government of the day is the strongest and worst engine of tyranny. And it is to this that the French Republic is drifting, as there seems too much reason to fear that the attempt will succeed.

OUR OWN PROVINCE.

Some time ago there was a flying rumor that the Imperial Government was making enquiries about the work of the Land Commission in this province, presumably with a view of getting suggestions therefrom, to help them in their Irish difficulty. If any such information has been furnished, it is to be hoped that it will be supplemented with an account of the efforts now made to hinder the Government from enforcing payments long overdue. That the man who has honestly paid for his land, will be placed at a tremendous disadvantage, will in short have been heavily fined for his honest punctuality of payments, if the backward are not to be forced to pay, is a fact kept quite in the background, by the sympathizers with the unfortunate debtors. Unhappily, most of the stock arguments that told against landlordism with such fatal effects, are felt in no way to have lost their force when made to do duty against a cruel Government that insists on having its "pound of flesh" from the poor defaulter. If, in one case, to require fulfillment of an obligation voluntarily entered upon, was cruel, extortionate and oppressive, the same language must be even more applicable when the terms of the bargain have been imposed by one party upon the other. Then, after all, our Governments are but the creations of public opinion. Popular favor is the breath of their nostrils. So, if the agitation should have any success, the Government will be utterly powerless. It may be hoped that the shrewd common sense of the people will keep them straight on this point; and there is the more ground for this hope inasmuch as the pocket of every taxpayer is touched, whenever a farm is unpaid for. But, when once the security of property has been tampered with, it is hard to foretell what consequences may ensue. Laws that have their foundation in the very nature of things, if violated, have a slow but terribly sure way of working out their own revenge. It may be that we shall have to be taught by some sharp lessons, that "Thou shalt not steal," is not a mere whim of theologians, nor a mere convenient social arrangement, but a natural law; and that not to pay a debt, even though that debt is the rent or purchase money of land, violates that law and will entail the penalty of such violation. We have lately witnessed another law of nature vindicating itself with sad and fatal effects, the law of gravitation which brought an overloaded warehouse tumbling down about the ears of the inmates. This accident is the first of its kind in this city; but it proves the absolute necessity of some authorized inspection of buildings, and it is to be hoped that the civic authorities will lose no time in making useful regulations and providing for their due enforcement.

1880.

The notes for this month bring us to the close of the year 1880. The work of this year, for good or ill, is done. If we believe, as well we may, that the world is struggling on, guided by a Divine Hand, to a better and a higher order than it yet has known, we must believe that we have gained one step further in our advance, and that, on the whole, amid partial failures, the good outweighs the ill, and that the reign of righteousness and peace is one year nearer than when 1880 began.

For twelve months OBSERVER has been having a monthly chat with the readers of THE EXAMINER. The attempt has been made, honestly if not successfully, to take a fair view of current political events, and to look beyond our own immediate concerns, and to keep our interest alive in the various movements taking place in the great world. OBSERVER has not professed to be an unconcerned spectator, nor to have no views of his own. Sometimes he has tried to strike a blow. When he does so, he tries to hit as hard as he can, but to hit fair. To criticize the public acts of public men, but scrupulously to avoid any personal animosity; to view both sides of a question, and not to imagine that one party will always be right and the other always wrong, are the principles by which he desires to be guided. He has hopes that even an imperfect attempt to do this will not be useless, and sends to all to whom these words may come, his wishes that they may have

A HAPPY NEW YEAR.

PUBLIC MEETING.

A PUBLIC MEETING of the ELECTORS of the Third Electoral District of King's County will be held in the

BALDWIN'S ROAD SCHOOL HOUSE, LOT 51,

—ON—

Wednesday, 5th January,

AT 7 O'CLOCK, P. M.,

To Discuss the POLITICAL SITUATION. The Representatives of the District and members of the Opposition are respectfully invited to attend.

FRANCIS CURRAN, Sen., JOHN KENNY, HUGH McQUADE, DENNIS MULLIGAN, Sen. Baldwin's Road, Dec. 31, 1880.

DIARIES FOR 1881.

A CHOICE ASSORTMENT JUST RECEIVED AT HARVIE'S BOOKSTORE. Dec. 29, '80—1f

Tea, Sugar, Molasses, Soap, Labrador & Digby Herring, LAMP CHIMNEYS, ONIONS, APPLES, RAISINS, BROOMS, CROCKERY, &c.

I WILL SELL AT AUCTION, ON Monday Next, Jan. 3, 1881,

AT 11 O'CLOCK, A. M., AT THE

QUEEN STREET AUCTION ROOMS,

25 chests choice Congou TEA } Good article, 50 half chests " " } 2 bbls. English Refined HERRING, 5 bbls. MOLASSES, 20 boxes SOAPS, 100 bbls. LABRADOR HERRING, 300 boxes No. 1 DIGBY do., 10 cases Crimped Lamp CHIMNEYS, 2 crates CROCKERYWARE, 50 bbls. ONIONS, 50 bbls. APPLES, 50 boxes Muscatel RAISINS, 50 doz. BROOMS, &c., &c.

TERMS—All sums under \$40 cash; over \$40 and under \$100, three months; over \$100, four months credit will be given on approved joint paper.

W. D. STEWART, Auctioneer.

BANK STOCK.

I WILL sell at AUCTION, at my Sale Room, Queen Square, on FRIDAY, 7th January, at 12 o'clock.—

15 shares in Bank of P. E. Island, 15 shares in Union Bank P. E. Island, 5 shares in Merchants Bank P. E. Island.

WILLIAM DODD, Auctioneer.

TELEGRAPHY!

A CLASS will be formed about the last of January, 1881, at the Charlottetown Business College. All persons wishing to join must file their applications (written) previous to that date. Terms, tuition, hours, &c., on application to

L. B. MILLER, Principal, Post Office Box 136, Ch'town, Dec. 29, '80.

Life Among the Hills! —OR— COLORADO IN 1880.

J. H. FLETCHER, Esq., will deliver the first of two Lectures on the above subject, in the Hall of the Y. M. C. A., under the auspices of the Ladies' Social Committee on New Year's Eve (FRIDAY, the 31st inst.) The second Lecture on the same subject will be given in the Market Hall on WEDNESDAY, the 10th JANUARY, before the Ladies' Temperance Benevolent Society. Funds to go to the relief of the poor. The first Lecture will give a description of the physical appearance of Colorado—peculiarities of the country—characteristics of the people—mineral industry—moral status of society—life in mining camps, &c.

Parties wishing to hear all about Colorado should attend both Lectures. Admission 25 cents. [de 28

ENGLISH AND FOREIGN

Newspapers, Magazines, Reviews, &c.

NOW is the time to subscribe for 1881. Orders made up every mail. Apply at HARVIE'S BOOKSTORE, Queen Street. Dec. 29, '80—1f

FOR SALE!

SCHOONER "BONNIE LASS," 107 tons Register, five years old, copper fastened, very strongly built, and a good sailer, as she now lies frozen up in East River, Charlotte-town, and ready to proceed with freight as soon as navigation opens. For further particulars apply to

J. & H. McMILLAN, Isaac's Harbor, N. S., Dec. 29, '80—1m eod

P. E. Island Railway.

TENDERS FOR SLEEPERS.

SEALED TENDERS, marked "Tenders for Sleepers," will be received by the undersigned at the Railway Office, Charlottetown, until 6 p. m., SATURDAY, the 8th January, 1881, for the undermentioned Sleepers:—

Between Georgetown and Mt. Stewart, 13,000 " Mt. Stewart and Ch'town... 13,000 " Mt. Stewart and Souris... 6,000 " Royalty Junction and S'Side... 18,500 " Summerside and Tignish... 40,500

Forms of Specification and Tender can be had on application at any of the Railway Stations, or at the Railway Office, Charlottetown.

L. B. ARCHIBALD,

Superintendent, Railway Office, Charlottetown, Dec. 24, 1880

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FLOUR!

Kent Mills, Superior Extra.

FOR SALE HERE, or on Cars at George-town. Apply to JAMES BROWN & CO., Water Street, Ch'town, Dec. 28, '80.

Buffalo. Buffalo.

A SPLENDID LOT OF BUFFALO ROBES, lined and trimmed. A few JAPANESE ROBES.

BEER & SONS, Dec. 1, 1880—1m