

ing capacity of the railway. If, owing to the demands of the public on the one hand and the demands of labour on the other, the profits of the line are diminished below the margin necessary to pay sufficient interest on the capital invested, that capital may be withdrawn for investment in more remunerative undertakings, and, in any case, the power of corporations to borrow for the purposes of further expansion becomes restricted to the disadvantage of all concerned: capitalists who depend upon interest, labourers who depend upon labour, and the general public who depend upon the combined efforts of both. Any discouragement of the investment of capital in railway undertakings would therefore, they state, certainly not be a benefit to the community at large. If the property of lenders is to be practically confiscated between the demand of the public on the one side and the demand of the employees on the other, it must lead to a general reduction in wages or to a shrinkage in the number of employees, with a much greater ultimate loss to labour. The same results would follow if the State should own the railway and provide the capital by taxation of the country's resources. Even in this event, no matter how disguised, the wages, other than the living wage before referred to, must depend upon the earning capacity of the railway after payment of interest on capital.

Dispute between the Bell Telephone Co. and operators at Toronto.

In January, before the Industrial Disputes Investigation Act was passed, a dispute arose at Toronto between the Bell Telephone Company and their female employees upon questions of hours of labour and wages. A strike of about 400 operators commenced, but was terminated after two days by the appointment of a Royal Commission, and on February 18 a settlement was effected. On September 12 the Commissioners issued a detailed report, dated August 27, in which they made a series of recommendations affecting the conditions of employment applicable to telephone operators and proposed the establishment of a permanent Board of Conciliation. They also recommended that a commission of medical experts should examine into the effect of the occupation of telephone-operating upon the constitution of those engaged therein. Parliamentary legislation may be necessary to give full effect to these recommendations.

Increase of financial subsidies to the Provincial Governments.

For some years public attention has been directed to the question of revising the arrangement by which under section 118 of the British North America Act, 1867, 30 and 31 Vict., ch. 3, of the Imperial Parliament, subsidies of fixed proportions have been paid by the Dominion of Canada to the provinces for the support of their local Governments and Legislatures. In December, 1902, a conference of provincial representatives held at Quebec passed resolutions in favour of the payment of increased subsidies which were shortly afterwards ratified by the Legislatures of the provinces represented, British Columbia excepted, and referred to the Government of the Dominion.