

The eleventh Map of the Series is published in this issue. The Key Map was printed March 11 on fine paper. Though not to the latest date, it will be a good exercise to fill in the work shown by the weekly maps to have been done during the last two or three years. What we ask is for our Subscribers to take an interest in our effort to explain and educate on a difficult and important subject; that they will aid us by adding to our list, and helping us in that way all they can. The subscription is £1 a year, which should be addressed to the Publisher, "Anglo-American Times," 24, Basinghall Street, London, E.C.

History of the American Railway System.

No. 11.

ST. PAUL, MINNEAPOLIS, AND MANITOBA.

The St. Paul and Pacific Railroad was chartered in 1857, and had a valuable Land Grant of 3,848,000 acres. The company became embarrassed in 1862 and reorganised in 1864. The object contemplated after the reconstruction was to extend to the north to connect with a road then building—the Canadian Pacific—near Pembina. But during 1873 difficulties arose relative to an issue of \$15,000,000 First Mortgage Bonds placed for the construction from Sauk Rapids to Brainerd, and from St. Cloud to St. Vincent. These bonds were held in Europe, partly on advances, and it was asserted that the money had been misappropriated; the holders demanded the appointment of a Receiver, offering in the event of the Receivership being authorised, to advance \$5,000,000 to complete the extension to St. Vincent on the British boundary, provided their \$5,000,000 held rank as a first lien on the property, before all other mortgages or share interest. Against this it was urged that the application for a Receiver was a scheme to freeze out the stockholders and obtain control, and to wipe out the outstanding Mortgage Bonds. The Court pronounced the grounds to be sufficient for the appointment of a Receiver, and it was under his auspices that the road was constructed to St. Vincent. As finally reorganised in 1879 the property embraced the St. Paul and Pacific, upon the charter of which it was founded; the First Division of the St. Paul and Pacific, Red River Valley, and the Red River and Manitoba. The land had a *minimum* value placed upon it, not under \$7 per acre on the main, and \$5 per acre on the branch lines; and there remain unsold 2,289,420 acres. Over a million and a half acres were taken at good prices by settlers, and the amount received for the 68,560 acres sold during the year ending June 30, 1886, was \$363,467, and there then remained a net amount due on land contracts of \$511,121. The proceeds of the land sales are reserved by the First Mortgage Trustees as a Sinking Fund for the redemption of the bonds at or under 105, and interest and bonds are called in yearly, so far as the funds are in hand.

The St. Paul, Minneapolis and Manitoba is destined to be one of the largest systems on the continent, and it will become the closest rival to the Northern Pacific when completed. To the east it will extend from Crookton to Duluth, and the road has been carried through Minnesota and Dakota in an east and west line north of the Northern Pacific; the grading is finished for 90 miles beyond Minot, the track is laid 30 miles west from Minot, and tracklaying is to be pushed at a rapid rate with the intention of reaching the Great Falls

of the Missouri river, about 550 miles from Minot, by next September 1. From the Great Falls the grading is completed to Helena, Montana, and is being pushed on to Butte. As the line is a north and south as well as an east and west line running from St. Paul to Manitoba, and by Canadian connections to Winnipeg, it is of interest to learn that the 650 miles from Winnipeg to Port Nelson, on Hudson's Bay, is laid out, and one division of forty miles of road is now being finished. That line will be completed in two years. Thus the road will be almost a direct way from St. Paul to Hudson's Bay, while it will become an outlet for the Pacific country north of the Northern Pacific, and south of the Canadian Pacific reaching to Lake Superior.

It may be observed that the tendency of the systems which have penetrated Iowa and Minnesota especially, is to turn west, and press on through the Territories of Dakota and Montana. All the Granger roads are pursuing that direction—even the Illinois Central, as indicated in our article on that system. It is emphatically a north and south road, yet in Northern Iowa its twist is to Sioux City, its inclination is to join the Union Pacific,* and it might any day cross the Missouri and go ahead for the Pacific. The American mind, receiving its bent from existing conditions on a vast Continent, follows the course circumstances dictate. The tendency is to sprawl—in construction, in settlement—to be led into the wilderness, to take hold of all unoccupied territory. These railways are the pioneers of settlement—going before and opening the way:—to secure command of the best country is to lay the foundation for the structure of the future; and when, we in England ask indignantly, why so eager to squander money in laying rails into wilds, we have to place ourselves in the position of the managers. Five or six great systems have surveyors out: the object is to learn the easiest and best way by which to penetrate west. The country stretches in vast reaches, Dakota alone exceeding France and Germany combined, as yet imperfectly known, with a little streak of civilisation along the road some enterprising system has laid, and another streak following a river, and a third streak up to a famous mining camp—such as Deadwood. The means of conveyance are the rail, the boat, the stage, and the waggon; and now in London, at the American Exhibition, may be seen the actual waggons and the actual coach—indeed the Deadwood coach—hailed by the very animals which drew them over many a weary mile. The attack in the Exhibition is made by the Indians—the Chief is Red Shirt of the Sioux—the very tribe which dominated this part of the country. But too often that attack was really delivered by desperadoes driven from those mining camps, who preferred to live by plunder rather than by work. These railway men look then from the end of their completed lines over a "sea of land," over rolling prairie, over valleys lost in the far distance, inviting them to come on. And they go;—go, go, go. The St. Paul is going, the Northwestern is going, the Rock Island is going—even the Illinois Central is going; all lured westward by the Star of Empire.

It would be interesting to follow the fortunes of the various Pacific roads and to show why the Northern Pacific first failed twice in the very task the others are this day pursuing so eagerly—to bring out the basis on which the Canadian Pacific had to rest, to tell how the Union and the Central Pacific were built.

* A cable message indicates that the Illinois Central will be cut out by the St. Paul—that is the Milwaukee Road:—"The Union Pacific and St. Paul Railroad Companies are arranging closer relations that will be mutually beneficial."

Here, however, we may remark that the real genuine Pacific roads—not merely pushed ahead as an extension from a great system reaching on and on—had to be supported by enormous land grants. It was so with the Canadian Pacific, with the Northern Pacific, with the Union Pacific and the Central, with the Atlantic and Pacific, and with the Southern Pacific. How is it that the railways even thus endowed, had in a few cases to get advances from their governments, whereas those now building are doing voluntarily without a grant what the others were bribed into attempting and failed in where left unaided? The Northern Pacific lost so heavily that it precipitated the panic of 1873. The Canadian Pacific would collapse in six months if the government "let go." The Atlantic and Pacific remains unfinished; and the Union and Central cost the United States Government a mint of money. The fact is that roads like the St. Paul, Minneapolis and Manitoba, the Northwestern, the Rock Island, are working in a natural practical business way; whereas the roads the government supported were not; and because the government did not extend its support in actual coin the Northern Pacific failed and the Atlantic and Pacific has not even yet been completed; indeed we may add, that but for the hard money Government aid, the Canadian Pacific could not have gone on. Hereafter we will show the advantage the systems possessed which had advanced with settlement; not attempted to construct in isolation in advance of settlement.

While the Canadian Pacific was building in its earlier stages it used the Manitoba road till it became recognised almost as a part of the Canadian Pacific system. One of its Directors was Sir George Stephen and another Donald A. Smith of Montreal. The two were, therefore, in intimate association; and Canadian Pacific traffic before it was so far completed as to carry its own material, went over the lines on both banks of the Red River which form the main stems of the Manitoba system. The earnings at that period rose with more rapidity than on any other line in America, but they fell off as the gathering ground of the Canadian Pacific was gradually lost through the completion of its own system. The gross earnings in 1882-3 were \$9,148,524; 1883-4, \$8,256,868; in 1884-5, \$7,776,164; in 1885-6, \$7,321,736. The net earnings fell away on much the same scale, showing a difference of nearly a million and half within that period. Yet, the road was able to earn a considerable surplus after paying 8 per cent for two years; 6½ per cent for 1884-5; and 6 per cent for 1885-6. The price of the Stock \$20,000,000 (par 100) was in 1880, 67; in 1881, 88½; in 1882, 108½; in 1883, 94; in 1884, 76½; in 1885, 79¾; in 1886 106¾ and it is now about 118. Here again we see what an immense gain there is in selecting well and buying early in an American Stock. It may be observed that though the tendency of this line as of other north and south lines is to turn westward and convert itself into a Pacific road, it must become a very important north and south line between St. Paul and Hudson's Bay. We hear that soon its Canadian connections will be complete to Hudson's Bay, when it remains to be learnt whether any advantage will accrue to shippers taking that direction on the completion of this curious Arctic road by which the way from Liverpool will be open during a few months of the year. How far south will that traffic draw? This is a very interesting question, and one that nothing less than practical experience can answer. If it draws far down into the United States, it may reach St. Paul; but at St. Paul the distance to Port York is little less than the distance from St. Paul to New York; therefore it is not likely that the northern route will, under the most

favourable circumstances, attract traffic down to St. Paul. From the mouth of the Nelson River the run to Liverpool is about the same as from New York, and perhaps a portion of the traffic of the Red River Valley may take that direction when opportunity offers. That Valley is one of the best wheat growing sections of the world. Far over both sides it extends in level prairie, while the stream flows sluggishly between clay banks, varying from 20 to 60 feet in height. There are rapids or chutes; but the fall is not great; for the river leaves its source, Elbow Lake, 1,680 feet above sea level. Curiously enough it flows south for 100 miles through small lakes to Otter Tail Lake, then west 100 miles to Breckenridge, whence its course is north 550 miles; separating Dakota from Minnesota, crossing Manitoba, and emptying into Lake Winnipeg, 628 feet above sea level. It is one of the very few rivers of the United States which has a northerly course, and it approaches close to the head waters of the Mississippi; therefore, it is at the top of this valley that the divide of the north and south is to be found. Yet the country cannot be called elevated; so by a gentle inclination the Valley of the Mississippi turns the slope to the north, and the waters then begin to flow to Hudson's Bay and the Arctic regions. The soil being of inexhaustible depth and rich to a degree, supplies the Manitoba system which has taken possession of the valley with a growing traffic, which will increase as the valley fills with settlers, and the road conveys the superior grain raised in its territory to its best marts, Minneapolis and St. Paul, where is carried on the largest flouring and milling business in the world.

Minneapolis is built along the Falls of St. Anthony, eight miles northwest of St. Paul, which is the head of the navigation of the Mississippi. It has become the great milling centre owing to the power furnished by the Mississippi River, there, one thousand feet wide with a descent of 75 feet within a mile. The growth of the manufacture of flour has been marvellous. The *Northwestern Miller*, to which we turned for a few facts, briefly stated on the 20th April that the output for the week was 115,420 barrels, and for the week before 130,900 barrels. Nearly 20,000 barrels of flour are turned out daily by the mills. They can produce upwards of 30,000 barrels, but working in the ordinary way the quantity is about 20,000 barrels; yet that uses up 20,000,000 bushels of wheat a year, which would take an area of 1,250,000 acres of land to produce. An Association of Millers buy the best wheat in the wheat-growing districts around, and early secure the bulk of the year's supplies. Then this wheat is distributed among the mills in proportion to their grinding capacity. The water power is used also for saw mills, and a vast trade is done in lumber. But Minneapolis relies on its capacity for turning out flour by water-power, located as it is in the centre of the wheat belt; and one of the railroads most useful to it is the Manitoba, for its gathering ground yields the finest grain on the continent of North America.

St. Paul is 2,200 miles from the mouth of the Mississippi, and 350 miles northwest of Chicago. Both Minneapolis and St. Paul are beautifully situated on terraces of the river; St. Paul on the second and third terraces, which widen into level semi-circular plains. The twin cities will run into one, and at this moment the two have probably a population of 150,000. Minneapolis has the larger industry and also the larger population, and the spot has become one of the centres in which all the great Granger Roads strive to obtain an entrance. The export of flour is over the

world, and it is an export that will increase whatever may be the experience of wheat. One of the feeders of this great industry is the Manitoba line; but the wheat brought into Minneapolis is carried away in flour, the best grades of which are consumed in the United States. In no other country can such grand and novel machinery be seen for wheat grinding. All the ingenuity of the American brain has been exercised in bringing these mills to perfection, and any milling industry we have in England is small compared with what Minneapolis can show.

This system is essentially a wheat carrier and a pioneer for settlers. In its Western extensions it runs parallel though considerably south of the Canadian Pacific with which it works in harmony; but north of the Northern Pacific, against which it will run in opposition. It will probably cross the border at various points by branches thrown north to meet other branches thrown south by the Canadian Pacific so as to command the country lying between these systems. But it works south to reach Helena, and north of that point along the Rocky Mountains an immense amount of cattle, herd. The drive has been largely from Montana and Wyoming and Idaho northward to the British Dominions, where the country is said to be favourable for ranching; and both the Canadian Pacific and this road will become cattle carriers on a grand scale. While the Northern Pacific follows the Yellowstone River which it strikes at Glendive, the Manitoba road follows the Missouri river which it strikes at Fort Union. Its course on leaving that river is southerly, because the hills of Idaho are formidable obstacles to railway construction westward; but it is evident that the Manitoba line will presently be reaching farther towards the Pacific, and then its name will be a misnomer, for it will really become a United States edition of the Canadian Pacific, while the Grand Trunk will ally itself in self-defence with the Northern Pacific.

The growth of these enormous systems is remarkable. The Manitoba road now must cover over 2,000 miles, and will before the year ends have large additions to its mileage. The most ambitious railway of the Continent is the Canadian Pacific; but we do not know how close the connection is between the two. For their summer trade both strike for Lake Superior, on which the Canadian Pacific has a steam fleet. When that road makes its extension by Sault Ste. Marie to Duluth it will have a direct connection with the St. Paul, Minneapolis, and Manitoba; and it evidently intends to grasp the country north of the Northern Pacific, which as observed will connect with the Grand Trunk. Thus the Canadian lines will become outlets for two of the largest United States railways, running close to the border; and the North American system will work independently of territorial sovereignty, in intimacy so close that there will be no distinguishing a Canadian from an American, while a large part of the ownership of all is in England.

We have stated that the Stock was \$20,000,000. The principal mortgage is the Consolidated (Gold) of which the authorized amount is \$50,000,000; \$19,426,000 being reserved to pay prior liens, the rest is being put into new roads at \$15,000 per mile single track, or \$27,000 per mile double track. Last March the Director voted to issue \$7,000,000 50-year 4 per cent Gold Bonds; to build the extension from Dakota to Great Falls, Montana. There have been issued of this Consolidated Mortgage \$18,630,000, part of which is 4½, and part—\$13,344,000—are Sixes. The other three prior Mortgages are First Mortgage Land Grant \$5,250,000 Seven per Cent. Gold.

The Second Mortgage (Gold) is \$8,000,000 Six per cent, redeemable as is also the Land Grant Mortgage in 1909. The Third Mortgage is on the Dakota Extension (Gold) Sixes \$12,000 per mile; \$5,376,000. There are a few smaller mortgages, and there is an issue as well of Minneapolis Union Railroad stock for a line through Minneapolis for passenger service including stations and a bridge over the Mississippi River. \$1,000,000 stock held in trust for our Company. The Securities then of this railway may virtually be divided into the stock of \$20,000,000 and the consolidated mortgage of \$50,000,000 a large portion yet to be issued. Both are sound securities for of course a good dividend paying stock is a satisfactory security for a mortgage behind it; and the fact that the Manitoba road can get money at 4 per cent. on 50 year bonds, tells how high its credit stands. But the tendency of that is to build on bonds not on stock, for the money can be procured at such a low rate that if laid out well, the profit for the stockholders must be increased. The danger is that in bad times the system may fail to earn its fixed charges, which will become heavy as the capital is enlarged.

CHAT.

The Hawaiian Queen Kapiolani, after a week's festivity in Boston, visited New York this week, where she expects to remain a fortnight. Her reception has been so pleasant that she has postponed her departure for England. Queen Kapiolani, Princess Liliuakalani and the members of their suite when in Washington called at the White House and paid their respects to President and Mrs. Cleveland. They were met at the main entrance by Secretary Bayard and Assistant Secretary Adee and escorted to the blue parlor, where President and Mrs. Cleveland awaited them. The room had been decorated with palms, ferns and flowers and the adjoining apartments were similarly adorned. The Queen was presented to the President and Mrs. Cleveland by Secretary Bayard. The reception was informal, no set speeches were made, and the visit, which lasted about 15 minutes, was devoted to general conversation. The queen was elaborately attired in a rich black satin dress, the entire front of which was thickly embroidered in gold. The princess, who is in mourning, was dressed in plain black. After the reception the queen and party returned to their hotel and devoted the afternoon to receiving official callers.

A committee of representative British societies met in the Quincy house at Boston April 30, and made further arrangements for properly celebrating the Queen's Jubilee June 21; \$10,000 was volunteered as a guaranty fund.

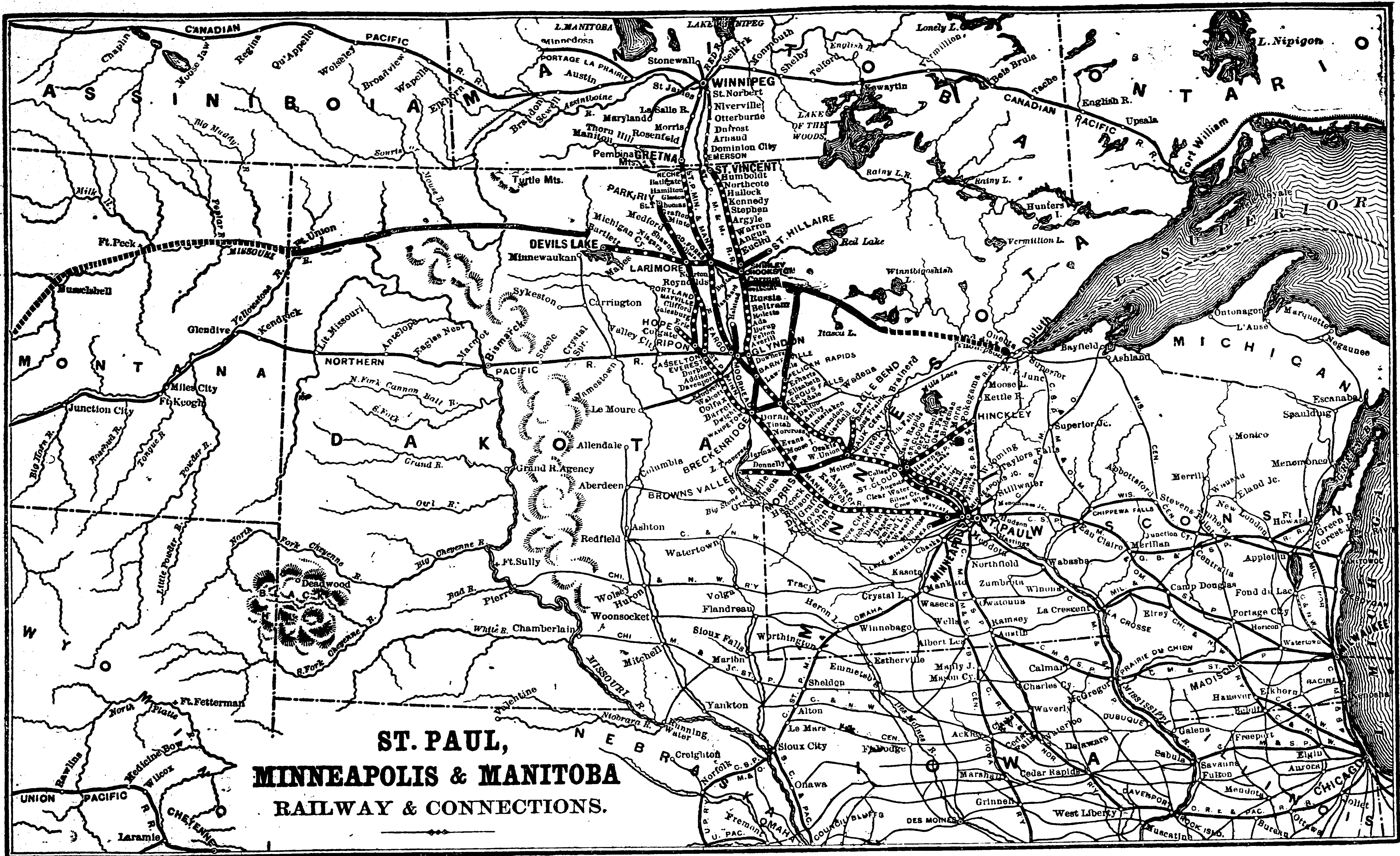
Last Saturday the first meet of the "Fours in hand" at the Magazine in Hyde Park took place. Lord Charles Beresford had invited "Buffalo Bill" to take a seat on the box of his coach; consequently all looked at "Buffalo Bill" instead of at the beautiful horses Lord Charles was driving.

Mr. Augustin Daly is arranging to play his company at the Gaiety Theatre, London, from late in April, 1888, to the end of the following August. William Terriss will be the manager. The company will probably begin operations with "The Taming of the Shrew."

The New York Academy of Music property was sold April 26th by William B. Dinsmore, president of the Adams Express Company, to William P. Douglas, for \$435,000. The purchaser was to have possession May 1st. It is reported that Mr. Douglas represents a syndicate of the old stockholders, who were dissatisfied with the action of the board of directors in selling the plant by auction, and they intend to continue the Academy as a place of amusement.

The long-talked-about contract between Mme. Patti-Nicolini and Messrs. Abbey and Grau for a South American tour next year, has at last been signed. Mme. Patti is to receive £1,000 sterling for each performance, and all expenses of travel, etc., will be defrayed by the management. Her farewell performances in New York took place May 13th and 14th. Upwards of \$74,000 were taken during the singers' sojourn in New York. Madame Patti was a passenger on board the Cunard steamer *Umbria* which left New York for England last Saturday.

The Cunard steamer *Umbria*, commanded by Captain M'Mickan, left New York for Liverpool yesterday with 540 cabin passengers, the largest number yet carried by a single steamer this season. The de-



**ST. PAUL,
MINNEAPOLIS & MANITOBA
RAILWAY & CONNECTIONS.**