

Product not fed to live stock.....	3,742,129,357
Annual increase in value of farm property.....	445,763,349
Interest on value of farm property at 6 per cent.....	1,226,394,070
Labor income.....	2,961,498,636
Number of persons engaged in agriculture.....	10,273,770
Average labor income.....	288.26

The absurdity of these figures is seen when we discover that though the average value of land and improvements in Montana, as enumerated at the two censuses, had fallen from \$12.99 in 1890 to \$5.24 in 1900, the statistician figures out an annual addition to the value of farm property in this territory of \$6,937,079. By adding this amount to the value of the product the statistician has figured out the average labor income as \$850.23, which is an average income greater by \$250 than the average Montana farm laborer would receive were it not for this great increase in the value of farm property.

As we have seen, this increase is fictitious and due to the inclusion as farm property of lands leased from Indians and railroads and of the public domain occupied without compensation to the government.

That there has been an increase of farm values in some localities is unquestionably true. But where such unearned increment exists it is a profit of investment and not a reward of labor. By including it as a part of the labor income the statistician has succeeded in increasing the average labor income which he figures out for the United States to the extent of over \$43.

For New York State the income obtained by this method is less by over \$18, for in that State there is found an annual decrease in the value of farm property of \$6,958,682.

It may be noticed that the agricultural statistician makes no deduction from the "gross farm income", although the census reports the sum of \$54,783,757 as expended for fertilizers, and that there are other deductions that should be made of expenses of which the census makes no report, such as the cost of repairs and renewal of improvements and implements.

This computation fairly illustrates the lack of intelligence, if not lack of honesty, with which the agricultural reports have been compiled.

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EDITORIAL CORRESPONDENCE.

BUFFALO.

Buffalo, N. Y., April 10.—The recent Democratic primaries in this city throw light upon the real meaning of the apparently successful Hill movement for an instructed delegation for Parker from New York to the Democratic national convention. There was no contest whatever of a national character. It was a contest, and a bitter one, between two local factions—the Mack faction, represented by the Times, and the Conners faction, represented by the Courier.

Both factions are attached to the "reorganizer" wing of the party. The former tends toward Hill and the latter toward Cleveland, but the struggle between them is simply for local power. A mild demonstration was made by a third faction for Hearst; but without money no headway could be made against the other factions, and this demonstration was practically abandoned. The contest settled down, therefore, to a struggle between Mack and Conners for local supremacy.

Notwithstanding the purely local character of the fight, however, each of the factions adopted a national slogan. The Mack faction demanded a delegation instructed for Parker, and the Conners faction, like the Tammany faction in New York, opposed instructions. Having the advantage of a positive programme, to say nothing of a larger corruption fund from outside, the Mack faction won. That is the inner meaning of the Parker victory in Buffalo; and, in all probability Parker victories elsewhere in the State mean no more.

Some rather remarkable criticisms are current here relative to the recent appropriation of \$101,000,000 for enlarging the canal from Lake Erie to Albany.

The ostensible object of the appropriation is to perfect this old waterway as a competitor of the Central railroad for the purpose of holding the railroad in check with reference to freight rates. The canal can be operated possibly eight months in the year; and, though much slower as a means of transportation from the lakes to the seaboard, it is supposed that boatmen will haul at rates low enough to regulate railroad rates during those eight months, even though the railroad have a free hand during the other four. In order to accomplish this result, the boatmen must have some rates and the taxpayers must expend \$101,000,000 to enlarge the canal.

In view of the offer of the president of the New York Central railroad, that vast expenditure would appear to be somewhat in the nature of a huge bunco. For this railroad man publicly offers for \$101,000,000 to carry by rail,

in perpetuity, from the lake to the seaboard, all the freight, year by year, that could be transported by canal. In other words, for the annual income of \$101,000,000 the New York Central railroad would bind itself to do all that this canal could do, and thereby save the boatmen's freight charges.

It does not follow, of course, that it would be wise to accept that offer. But the offer indicates that enlarging the canal is probably not the best way of checking the aggressions of the railroad. That there is a better plan is said to be evident. Experts assert that \$40,000,000 would be enough to build a first-class State railroad along the canal bed from Buffalo to Albany, inclusive of the cost of such additional land as might be necessary to straighten and shorten the route. They say, moreover, that the interest on \$61,000,000 would maintain this road as a free highway, on which railroad trains could be operated in competition by individuals and corporations. And they add that under that competitive system of operation freight could be carried from lake to seaboard, including transshipment at Albany, for one-quarter the cost of carrying it by canal boat. It is thus possible, at no greater outlay than is proposed for deepening the canal for competitive boating, to turn it into a rail highway for competitive railroading.

The latter plan would make effective competition with the present railroad monopoly, at only one-quarter of canal boat rates, for 12 months of the year instead of 8, and at no greater outlay by the State than the former plan requires. In addition, the railroad could be finished in two years, while the canal improvement would take ten or fifteen. Further, the railroad would not cost more, whereas the cost for the canal will probably double the appropriation.

But these very advantages seem to be objections. The longer job and larger probable cost of deepening the canal appeal to the spillovers, while its ineffectiveness as a competitor with the present railroad monopoly appeals to financial interests. Yet why should an antiquated water highway be maintained at great expense by the State, when the latest and best kind of rail highway could be established at no greater and probably at less expense?

L. F. P.

CLEVELAND.

Cleveland, O., April 12.—That the railroad monopolies are not insensible to the great advantages of old canal beds for rail highways, even if the people who own them are, is evident from one of the legislative steals which are now seducing the late Senator Hanna's eager Ohio legislators.

The best railway terminal-site in Cincinnati is an old canal, and it is wanted for that purpose by the Pennsylv-