

poses, and has since the first of January put in operation what it claims to be $3\frac{1}{2}$ cent fare. It sells 7 tickets for a quarter and charges five cents cash fare. This averages about 3 8-10 cents for each passenger. The reduction to a 3-cent fare in the city does not mean a 3-cent fare from the surrounding territory. It will produce an average fare of $3\frac{1}{2}$ cents so that the real difference between the two companies will be about $\frac{1}{2}$ cent a passenger. At any price on the property which the railroad companies will sell out to the city company the dividends will be reduced an amount certainly equal to $\frac{1}{2}$ cent a passenger, which without allowing anything for stimulation of business will produce the net earnings sufficient to pay dividends on the capitalization fixed by the terms of settlement six years ago. When this low fare struggle began, the market price of the street railway property was about \$30,000,000, based largely on the expectation of renewing its franchise on the old terms. The selling price of its securities gradually fell as the capitalized expectation became less brilliant, and the securities are now worth about \$21,000,000 or \$22,000,000, and this on a property, the physical value of which is not over \$12,000,000. That is, it would cost about \$12,000,000 to build a street railway in every way equal to this property. The present situation is that there is a temporary treaty of peace, which the Cleveland Electric Railway Company (the old company) and the low fare company entered into with the City Council as a third party. Under the agreement the old company agrees to suspend all legal warfare and to permit the low fare company to operate over certain contested territory, while the low fare company in turn agrees during the continuance of the treaty not to extend its lines into further disputed territory.

The Cleveland "treaty of peace" mentioned by Mayor Johnson has been extended indefinitely. Meanwhile negotiations for the leasing of the old company's property by the city's "holding company" continue.

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The Salton Sea has Friends.

As already noted (p. 730), an unprecedented amount of rainfall has occurred since the creation of a sea in the Salton sink. Even the Death valley, the most baked and parched desert of the Southwest, has had a heavy fall of snow within the past few weeks. Arguing from effect to cause the people of many parts of the arid West have set up the claim that this new inland sea, now covering an area estimated at 2,800 square miles, evaporates rapidly in the broiling sun of southern Arizona, and then the moisture is carried out over this vast arid region to descend in the form of rain and snow. The whole volume of the Colorado river continues to feed this great reservoir so that there is small danger of its being exhausted, and, therefore, it is contended that accident has done for the desert what the investigations of science have been wholly unable to accomplish, and that through this agency a vast region, heretofore not capable of cultivation, may be reclaimed, and irrigation rendered unnecessary. In accordance with this reasoning the Governor of Utah has sent a special message to the Legislature on the subject, and the Legislature has adopted a memorial to the President, setting forth the claim that the Salton Sea has greatly benefited the entire arid region by increasing the rainfall, and asking him to desist from his efforts to drain this vast body of water (p. 996). The Commercial Club of Salt Lake City has adopted a similar memorial, and other commercial organizations and legislative bodies through-

out the intermountain region have taken or are preparing to take similar action.

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The Santo Domingo Treaty.

The President sent to the Senate on the 12th the new treaty with the Republic of Santo Domingo (p. 678) relative to the revenues of that country. According to the reports from Washington the new agreement is confined entirely to the matter of the collection of revenues. It sets forth in the preamble the fact that Santo Domingo has entered upon an agreement with her creditors that is made contingent upon the fact that this country shall collect the money, and it is then agreed that the President of the United States shall appoint a representative of the Government as receiver-general to take charge of all the funds collected and to provide means for their collection. The treaty provides that the total outstanding indebtedness of the country shall be capitalized at a figure slightly below \$20,000,000; that bonds for this amount issued by the Dominican republic and floated through a New York banking house shall be paid over to the creditors; that 55 per cent. of the customs collections of the republic, gathered through American collectors, shall be set apart for the redemption of these bonds, which shall be redeemable after ten years at the rate of 102 $\frac{1}{2}$ %, and are to run fifty years. The treaty will go direct to the committee on foreign relations and there will be a determined effort to have it reported and acted upon before the adjournment of the present session of Congress.

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The British Bi-Cameral Problem.

The re-opening of Parliament on the 12th (p. 921) was awaited with intense interest, for the recent defeat of the Government's education bill by the House of Lords (p. 921), and the prospective defeat of all other features of the Government's program at the hands of the Lords, have brought centuries of discontent with the veto powers of the Upper House to an unexpectedly rapid ripening. The speech from the throne alluded to the situation: "Serious questions," said the King, "affecting the working of our parliamentary system have arisen from the unfortunate differences between the two Houses. My ministers have this important subject under consideration with a view to a solution of the difficulty." In the House of Commons the Prime Minister, Sir Henry Campbell-Bannerman, brought up the issue as the matter of greatest importance before them. Dispatches to the Chicago Tribune report him as saying that the question they wished to raise was the question of the relations between the two Houses, not the question of the constitution of the House of Lords. It was sometimes thought the House of Lords acted as a sort of watchdog, guarding the statute book against mischievous and undesirable measures. If this theory were properly carried out it might be so, but when the prolonged somnolence of the watchdog was succeeded by a sudden access of bitter ferocity, one looked about for the cause. He did not know whether somnolence or ferocity furnished the better ground for complaint, but a combination of the two, he said, was intolerable. It showed there was some fatal vice