MUST BE MASTER IN OWN HOUSE, SAYS THORNTON

(Continued from Page One.)

I know, have the same assurance from the officers and men of the present National System.

I hold the conviction that governments should confine their conduct and direction of business to the limits of department administration. Political machinery and traditions are not adapted to the conduct of business, and for the good of the country, governments should not undertake it.

Notwithstanding this conviction, which I judge will carry general support in the Montreal Board of Trade, the very circumstances of this evening's gathering, indicate we share in the responsibility for government ownership and operation of railways upon so great a scale, that it represents the largest single business enterprise in Canada. The occasion for this condition was the breakdown of the scheme of railway construction and operation authorized and supported by Parliament, and carried out under private ownership. Confronted with a choice of undesirable alternatives, Parliament decided that the country should take over the railway properties in default. Whether it should have made some other decision does not affect the present situation. The country is in possession of these railways. It cannot dispose of them, cannot abandon or cease to operate them. We must, therefore, accept the consequences, whether in paying losses from operation, or from fixed charges, or for capital expenditures. We can remember that responsibility for these conditions is chargeable to successive Parliaments under the control of the Conservative as well as the Liberal party, and that the country approved their actions at the polls.

REASON FOR DEFICITS.

The deficits in operation of these railways, which accumulated so rapidly during the year 1918, and which developed startling proportions by the end of 1920, were not occasioned through the properties being publicly owned and operated. They were occasioned through conditions arising out of the building and subsequent operation of unnecessary mileage, which produced adverse results beyond the control of the managers of the property. Further, the board of directors chosen by the Government to administer the Canadian Northern, the National Transcontinental, the Intercolonial and the Grand Trunk Pacific took charge of a body of railways which for years had been starved. Car equipment was short; motive power was deficient; lines were imperfectly maintained, with some construction not completed. They had an unco-ordinated property from ocean to ocean, which had to be pulled into shape. There was no escape from heavy expenditures. The benefits of these expenditures are now being felt, and further benefits will accrue if sound administration is permitted.

It will be the duty of Parliament to provide further sums needed for necessary capital expenditures whereby this National System of Railways will be established as a solvent enterprise. This done, the country will have a saleable asset, and can then dispose of it, if it so desires. Meantime, it is not only sensible, but necessary, to stand by the men who manage the properties. Happily, we seem to have passed the first mile-stone. There will be no operating loss during the current year. The combined revenues of the National and Grand Trunk systems will meet the combined operating charges, and will leave a substantial surplus to be applied towards the fixed charges.

The penalties from over-mileage of railways will be remedied chiefly through increased population, which will result in increased tonnage of commodities for movement by the railways, and increased passenger, express and other revenues. To secure increased population, which will occupy and till the unoccupied lands in the various provinces, is an imperative duty of Government. It will not do to perform the duty in a half-hearted manner, or to be deterred from it by sectional or class interests. The work should be carried on with well-balanced judgment, but with resolute courage, and should be entrusted to the best available men for the purpose. There should be no stint in the resources placed at the command of those who are in charge of the work.

Parliament will not contract itself out of responsibility to examine critically the estimates for railway administration submitted annually to the House. It has yet to demonstrate, however, that it will bring to the consideration of the work and the requisitions of the management a temper and sense of fairness which is present and necessary in the successful administration of private enterprise.

FREE FROM INTERFERENCE.

The Honorable Mr. Kennedy, the Minister of Railways, had this to say in Parliament during its last session, in reference to the responsibility and authority to be vested in the board administering the affairs of the National Railway System. I quote his words:

"We will place them in the hands of men who, as regards the component parts of the system, will administer them without fear or favor, without thought of politics, and in the general interest."

"It is the intention of the Government," he continued, "that the board in the exercise of its several duties and functions shall be free from interference, political or otherwise."

The Prime Minister, with the authority which is vested in his office, has confirmed his Minister's statement as to the policy of the Government.

The most critical will accept this declaration of Government policy as satisfactory. But, frankly, I have seen little evidence of its observance. I wonder if it can be observed in the form stated. It is to be remembered these railways are a publicly-owned and operated enterprise, in active business in almost every constituency in the country, and that ninety thousand workers are employed.

If the declared policy is observed, a hitherto undeveloped courage and purpose in public affairs will be brought into play, and at a time when the system of group representation in Parliament denies the Government the necessary support for independent action. There will be distinct advantage which can be realized if the Government give their supporters in the House, and the public, to understand that the board of the railway company is responsible for the administration of these properties, and that petitions and delegations relating to railway matters will be referred to the board for action. Cabinet ministers show a tendency to overlook this essential prerogative.

There will be need for robust public opinion, which will make itself felt in the support of the Government in its struggle against designing politicians, and against the insistence of sectional demands, and which will equally condemn the Government if it yield to this pressure, or if it fail to courageously support the administration of the railways on the floor of the House, when it is unfairly attacked.

SYSTEMS IN COMPETITION.

I will carry your approval in expressing satisfaction that the toast to the president of the National Railway System is to be proposed by the president of the Canadian Pacific Railway Company. Mr. Beatty and his associates have reason to feel the injustice to which their shareholders are subjected through the outcome of a scheme of railway construction which they claimed would not succeed. They find their forecast was true, and they are not unnaturally question how the competition of publicly owned railways will affect their privately owned property. They know that their company has served efficiently, and has honorably discharged its obligations to the country. Its achievement commands the admiration of railway experts and the public, and has been a material factor in causing Canada to be favorably known upon three continents.

Nothing will be gained by disguising the actual situation. These two systems of railways will be in active competition for the carrying business of the country, and the usual practices of competitive activities will be present. This, however, I hope will not preclude cordial co-operation between the senior executives in planning together to meet the transportation problems and requirements of the country.

I do not presume to read into this situation tonight an undue significance, but I cannot be in error in expressing satisfaction that the first public greeting extended to the president of the National Railway System in Canada should be by the president of the Canadian Pacific Railway Company.

REVIEW OF PROGRESS.

Sir Joseph after giving illustrations indicating the material development of Canada from 1869—sketching the development of farming, railway traffic, the Dominion's financial operations in connection with the Great War, a comparison between the aggregate deposits in the chartered banks in all the provinces of Canada in 1887 and the deposits at present, dealt with the situation in the western provinces in the following words:

The statistical demonstrations of unprofitable results from agricultural efforts in the west are obviously overworked. While there has been much hardship in sections of the west, these figures furnish a striking and conclusive evidence of accumulated wealth through farming operations in the prairie provinces. It is a matter of satisfaction that in the present period of serious re-adjustment, the west has this background of liquid resources.

It must be that those in the west who agitate against the banks for the inadequacy of the banking facilities afforded responsible borrowers, do not realize the full measure of the service rendered by the banks or the sense of scale which they bring to the interpretation of their responsibility to the west.

CANADA FOUND HERSELF

In Boer and World Wars, Said Dean Laing

Dr. Gordon Laing relieved the serious nature of the evening, opening his address with a series of jocular remarks about the customary platitudes with regard to the dimensions of Canada, and the habits of some provinces in their points of view with regard to others they considered less advanced, as, for instance, Ontario and Quebec, or Nova Scotia and British Columbia. But if he were to touch upon the merits of all the provinces, he remarked, history would be in the making long before he was ended.

In fact, he continued in more serious vein, Canada progresses very rapidly. This Dominion is barely more than half a century old, yet during that fifty years there have been a thousand changes along different lines, and every change for progress. The time has passed when gentlemen can come with smug complacency and refer to our Dominion as "Our Lady of the Snows."

General Sherman once remarked that "War is hell." He may have been right, but the by-products of war are not all hell, some of them are very different, and Canada has reaped her share of these advantages.

Dr. Laing compared Canada's experiences in and after the Boer War, to Kipling's story of the ship that found itself. The Fathers of Confederation had faced courageously an immense problem, with a vast country little developed, lacking means of communication, and with sparse population. They faced the problem, and with conspicuous success. But Canada had not found herself, and certainly not her place in the Empire until the Boer War, which bore into her a realization of her place as one of the group of Commonwealths comprising the British Empire.

DID NOT FALL IN VAIN.

Again Canada found herself in 1914, when from the furthest west to the farthest east young soldiers gathered and in an incredibly short time the whole world rang with the fame of their achievements, while Canadians at home and abroad gloried in their deeds. Provincial pride and jealousy alike were forgotten, and the Canadians amply bore out General Currie's famous words, that "There is no sectionalism in the trenches." Those who fell there did not fail in vain, but fell for the greater glory and unity of Canada.

Those four years of war did more for Canada than a century of humdrum peace. They made of it a nation. And the strangest thing about it all, a thing that is referred to as often as it should be, is the bearing of the returned soldiers. No loud talk about war adventures; no boastfulness; casual in their references, debonnair. It was a job. It was done. It is over. Always tolerant about the way Europe and Great Britain keep on muddling things, yet showing that if again a crisis arise, again the Canadians would be willing to help. It is a distinguishing Canadian trait, no mere rhetoric, but if the time comes to act they are ready to act, and stick everlastingly. Surely it was with good reason that in so many of the major engagements the Canadians was the spear head of the front. That is Canada. (Loud applause.)

The Chairman—It was with some feeling of delicacy almost of trepidation that I asked the president of the Canadian Pacific Railway, and the Chancellor of McGill University, to propose the toast to "Our Guest" tonight. But he at once acceded to my request, and so graciously that it is with real pleasure that I now call upon Mr. Beatty to propose "Our Guest."

E. W. BEATTY'S WELCOME

Executive Officers as Principal Factors in Solving Situation

In rising to propose the toast of the guest of honor, Mr. E. W. Beatty, president of the Canadian Pacific Railway, said:

When your president was good enough to suggest for me the honor of proposing the health of Sir Henry Thornton, I not unnecessarily concluded that this pleasure was being afforded me because, as representing the Railway Company which, in a sense, plays the

Canada, I represented the largest stockholders in the system over which Sir Henry will preside. Large stockholders have a special interest in the successful administration of their property and in the personality of its executive head. I presume it is not only customary, but necessary, to propose the health of the guest of honor, but it does seem to savor of irony to suggest health to Sir Henry after one fleeting glance at his robust physique.

It is equally customary, when addressing a toast to the guest of the evening, to inform you of his outstanding characteristics and indulge in flattering references, usually untrue, or at least inaccurate. It would be presumptuous for me to tell you of Sir Henry and his achievements. I felt, and still feel, that with what Mr. Birks does not know of him and the free and full information he would give you in consequence of his ignorance, and what Sir Henry himself would not tell you, though well equipped to do so, you would probably receive all the misinformation you were entitled to obtain in one evening.

In confining what I have to say to general observations pertaining to Sir Henry's work without confusing it with opinions or theories in respect of policies, I feel that I will not be in danger of detracting from the stability and complete unity of this occasion, an occasion which is intended to express on behalf of the Board of Trade its utmost goodwill towards Sir Henry himself, its belief in the principles of private ownership of railways and its profound, if latent, conviction that the city of Montreal offers advantages for head or other offices not enjoyed by any other city in Canada. I must admit that the stubbornness of the members of the Board of Trade on the question of public ownership and their confidence in the future of their own city as a railway centre might lend an atmosphere of discourtesy and self-interest to this dinner were it not for the fact that both their convictions and their ambitions are overshadowed by their desire to induce Sir Henry to appreciate that he is a very welcome citizen of Canada, whose work, if successfully accomplished, will be of lasting advantage to the country and whose success the citizens of Montreal and the members of the Montreal Board of Trade, no matter what their political, transportation or other religions may be, cannot but desire in every meaning of that word. The reason why we may suppress all other considerations is that the prosperity of the National Railways must inevitably mean that Canada itself is prosperous.

DISTORTED STATEMENT.

Some years ago, when I was younger and therefore more prone to make mistakes, or rather prone to make more mistakes, I rashly stated that anything that was good for Canada was good for the Canadian Pacific Railway Company, in as much as their fortunes were inextricably linked together. It did not take long for enterprising gentlemen who had not the same appreciation of either the bona fides or the value of the Canadian Pacific Railway to distort this phrase into: "What is good for the C.P.R. is good for Canada." Both expressions are equally true, however, if you eliminate the subtle suggestion of selfish interest first, contained in the latter. But it is undeniably true that if Canada is not prosperous, the National Railways cannot prosper, and if Canada is prosperous the National Railways' position must, of necessity, be substantially improved.

The guest of the evening has had a unique and varied railway experience. Having only met Sir Henry today, you will not expect me to introduce him in that personal and familiar way I would have been able to do if this dinner had taken place a week hence. I have learned on reliable authority, however, that he is six feet four inches tall, in his college days was a famous football player, and is a married man. Some years ago I pointed out a prominent banker in Montreal to a gentleman who formerly earned his living by the scientific and forceful application of his hands to vulnerable parts of the anatomy of other gentlemen striving to do the same to him. I informed my pugilistic friend that the eminent banker had been a boxer in his youth, and his reply was that if he had been a good boxer, he would bet his shirt that he was a damn good banker. I do not know that Sir Henry is a good railway executive, because he was a fine football player, but I do say that he is none the less competent and efficient because of his earlier athletic prowess. He moves in a marked degree the friendship and admiration of a large circle of friends, both in the United States and Great Britain. Some few days ago, when in New York, I had occasion to meet many of Sir Henry's former associates. They spoke of him in terms not only of respect and admiration, but, indeed, of affection. Each president expressed his conviction that the Government Railways were fortunate to secure his services and that the whole railway situation in Canada would be improved by his advent to this country. President Rea, of the Pennsylvania System, cheerfully informed me that all he needed to say was that Sir Henry was trained in the service of the Pennsylvania Railway Company. Once Mr. Rea admits that a man has been trained by the Pennsylvania he concedes him every known virtue that can be possessed by a railway executive. But it is interesting to observe the fascination with which Sir Henry's task and Canada's peculiar and almost unique railway situation is viewed by railway presidents in the United States and the transportation men of Great Britain. To them it is, if anything, a greater problem than it is to us. They have never experienced a condition in which the railways of the country were divided, not equally, but not disproportionately, between a private and a Government-owned system. They are correct in its uniqueness, but they are, I think, unduly apprehensive of the complications which such a condition is anticipated to create. In no essential way should such a condition mean lack of harmony, unfairness in competition or other conditions which have tended on some occasions to bedevil the transportation interests of a country.

INTERFERENCE DANGER.

There is one danger, of course, which is inherent in such a situation but not a danger insuperable to successful co-administration, and that danger is that the Government System might not be permitted to be administered entirely by those in charge of its administration. Given a strong, fearless and efficient organization and with a firm hand to effect which all officers of successful enterprises enjoy there is no reason why the general transportation problems of the two systems should not be handled as effectively and fairly as if they were privately owned and operated. In fact I feel so strongly that this is true that I would hazard the suggestion that the principal factors in harmonizing, improving and ultimately solving the present situation will be the executives and the officers of the existing systems. You will, no doubt, appreciate that in this country of ours many railway problems are common to the two companies. Many questions of general policy depend for their execution upon the mutuality of opinion of the officers of those corporations, and in those larger questions not local to the individual lines but concerned with the relationship of all companies to the public they serve, the co-operation, the frank exchange of views between those officers either determines or prejudices the determination of a solution. I do not think that I am speaking with too much assurance from the experience of the past when I say that in these problems I am confident that the officers of the Canadian Pacific and the National Railways can work in substantial accord to the mutual advantage of their respective companies and the public.

Sir Henry will be inundated with suggestions. It is a peculiar but not unreasonable circumstance that when the public money is involved, every one considers it his right to make suggestions and to, in a measure, interfere, suddenly becomes a condition attached to his ballot. It will not be Sir Henry's fault if, at times, he is irritated, but having talked with him today I am confident that his irritation will not be serious or his equanimity permanently disturbed.

I would like to assure Sir Henry and to make the assurance now before he proceeds farther to portions of the country where the people are just as estimable but probably less free from prejudice than those of Montreal, and therefore more likely to endeavor to poison his mind with suspicion, that in the solution of these common problems of which I speak he may be assured of frankness and candor, and an honest expression of opinion and desire to cooperate on the part of the officers of the Canadian Pacific Railway Company.

Gentlemen, the toast of the evening is to Sir Henry Thornton, coupled with the expression of the hope that he may be permitted to run the National System just as if he owned it himself.

SIR HENRY THORNTON

Full Text of Speech Delivered by C.N.R. Chief

It is with a deep feeling of gratitude that I rise to express my thanks to those distinguished gentlemen who have preceded me for the kindly and cordial words they have said about me, and the generous manner in which you have received those words. Dr. Gordon Laing especially has left me speechless in his description of Montreal and the modest way in which he set forth the aspirations of the Province of Quebec. He has left little to the imagination, and I am proud to heartily endorse all he has said, after having had the pleasure of being with you thus far this evening.

He has referred to the fact that the Province of Quebec is the only remaining reservoir of intelligence (laughter), and, may I say, common sense, because that is significant. If the Province of Quebec continues its course it will speedily accumulate all the cents in the rest of the Dominion. (Laughter).

Of late I have come to the conclusion that all the world is divided into three classes. First, those who are willing to enlist in the services of the Canadian National Railways, and are not slow about saying so. The second class represents the ordinary shareholders of the Grand Trunk Railway, who have contributed materially to my correspondence. (Laughter) And last, but by no means least, there are those who hold the secret, and are very willing to impart it, as to where the Headquarters of the system should be located. (Laughter). The fact that the president of the Canadian Pacific Railway has done me the honor of proposing my health is in itself a compliment which any railway man would appreciate, for we in the transportation industry regard the Canadian Pacific Railway as one of the best managed and one of the most efficient of railways. Its original conception was courageous and statesmanlike, and its subsequent administration has reflected credit upon all who have been connected with it. If those of us, who are charged with the responsibility of organizing into one entity and working as one unit the Canadian National Railways, succeed in approaching the enviable record of the Canadian Pacific Railway, we shall have more than met our responsibilities. The Canadian Pacific Railway should be, and I am sure it is, the pride of the people of Canada, and much of the prosperity of the Dominion is due to the efforts of its officers and staff. We shall undoubtedly be rivals, and it is good that it should be so, but I feel certain that our rivalry will only reflect itself in an effort to furnish to the people of Canada adequate and efficient transportation at reasonable cost.

I have always envied the Prophet Daniel when he appeared upon one occasion at a dinner, the result of which proved to be unpleasant to the principal guest; and, with whatever delight the lions may have looked forward to the dish which was about to be set before them, Daniel at least, as the honored guest, had the satisfaction of knowing that he would not be called upon to speak after the conclusion of the feast. Apart from the pleasure of meeting those whom I hope will become my Canadian friends, I should have preferred to make no public speeches until I had been in Canada for at least a year. At the expiration of that time my deeds, whatever they may be, would have spoken with more accuracy than any statements I can make tonight; for words are easy of pronouncement but actions speak with a greater eloquence. Let me frankly say that I have not the intimate acquaintance with Canada and its transportation needs which many of you possess, and it would be folly, in the absence of a detailed study of the position, to speak in other than somewhat general terms.

The amalgamation of constituent railways now known as the Canadian National Railways has for the last two years shown an improving financial position, although the position is not today what any one of us would wish. The fact, however, that the position is improving, shows that it will yield to treatment, and reflects much credit upon those who, until the appointment of the present administration, were charged with the administration of the constituent properties. I should be wanting in observation and appreciation if I did not take advantage of this opportunity to thank Sir Joseph Flavelle, Mr. Hanna, Mr. Kelley, Mr. Robb and Mr. Hungerford and their officers and their associates on the former boards of directors for the excellent spade work they have already done, and the zeal and efficiency with which they executed their responsibilities. I hope that those of us who will follow the trail they have so ably blazed may still count upon their valued advice and support.

I am concerned with the events and circumstances which brought the Government of Canada to take over the national railway system. We are confronted by a condition, not a theory, and I must accept things as I find them. Whatever the reasons may have been, the people of Canada have embarked upon an adventure which has not been conspicuously successful elsewhere; but I emphatically deny that this forms any reason for failure here, providing certain basic principles are unalterably maintained. There is a distinction, if not a difference, between the government railways of Canada and government-owned and operated railways elsewhere. In Canada, as I understand the position, the Government is the only shareholder in these properties, or at least sufficiently controls the voting power to appear as the single shareholder; and the Government has elected to administer the national railways in substantially the same way as though they were privately owned. The only difference between our railways and private railways is that, so far as we are concerned, there is substantially but one shareholder to deal with, namely, the Government, and on private railways there are perhaps several thousands of shareholders. Experiments in government-owned railways elsewhere have taken the form of directly operating the railways by officers and men who were actually the servants of the government, rather than the servants of the railway. Now this distinction is obviously important, as well as vital, and it certainly tends to make the elimination of undesirable influences from the administration of our railways easier than might otherwise be the case.

NO POLITICAL INTERFERENCE.

Much has been said about the dangers of political interference with our railways, and this is at least one subject upon which I can speak with emphasis and authority. The existence of political unrest seems to be the price which is paid for a democratic form of government; and, generally speaking, there are two things in every country which, in the minds of at least fifty per cent. of the population, afford reasonable grounds for complaint: one is the weather, and the other is the government. But in a democracy the people get the kind of government they elect to office; and if the weather is disagreeable the Dominion of Canada provides a great variety of climates, any one of which can easily be reached by those who avail themselves of the services of the Canadian National Railways. Perhaps I should be generous and inform you that the Canadian Pacific Railway has also a passenger service. Politicians are much maligned. In earlier days they were designated as statesmen, just as fifteen or twenty years ago anyone who acquired a fortune was considered a captain of industry, while today opulence is generally looked down upon as an indication of profiteering. However all this may be, we all recognize that politicians do exist, and presumably because they exist they are essential in our scheme of government. But let it be emphatically understood, that the president of the Canadian National Railways. I cannot put it any more forcefully without transgressing the rules of polite speech, and if I know of any words which would make this point more clear I should unhesitatingly employ them. The Prime Minister has solemnly assured me that there is to be no political interference, and it was with this distinct understanding that I accepted the post which the Government has done me the honor to offer. This assurance is the only assurance that any government, irrespective of political complexion, would be compelled to make under similar circumstances. It is vital to the success of our railways, and any other procedure spells inevitable disaster. From time to time the din of battle and the clash of political arms lead one at least to suspect that there are political disturbances going on in the land, and I have reason to believe that something of the kind is going on at the moment, or has taken place during the last few days. With these periodical political upheavals, neither I nor any officer of the Canadian National Railways have, nor should have, any concern, other than the interest which every patriotic citizen should take in what is going on about him. Our job is to devote ourselves entirely and with tranquillity to rendering to the people of Canada an honest and efficient railway service. I think I can speak with authority for my directors, and I shall certainly speak with authority for myself when I say that, without fear and without favor, the Canadian National Railways have, and will continue to serve the people, by the people and for the people, and, moreover, for all of the people of the Dominion. I know that political interference presents itself in many seductive disguises, and sometimes it tends to make itself felt in many unknown ways. Of all of this I am fully aware, but let me again repeat that there is to be no political interference or influence in the administration of the Canadian National Railways. And while I am on the subject let me go one step further. Constructive criticism, born of a desire to improve conditions, is helpful and will be welcome. Other varieties, which are intended to be destructive, may be ignored. Any individual who can tell me how I can do my job better will be regarded as my friend. Every opportunity will be given for a full discussion before decisions are made, but made they must be with firmness, courage and no undue waste of time. When once made, they must be maintained. Any other policy will reduce your railways to a spineless nuisance with no body to kick nor soul to damn. Therefore, the railway administration must be master in its own house and in the interest of efficient management no interference of any sort can be tolerated.

SECTIONAL DIFFERENCES.

Perhaps no less dangerous than political interference is what may be called pernicious sectional pride. The Dominion covers a wide territory, and the aspirations and desires of different sections are not always identical; indeed, from time to time, they may even conflict. It will be my conscientious effort to meet the reasonable demands of all sections of the Dominion and contribute to the utmost to their development. Every request will be received with sympathy, and my first thought shall be not how to justify a refusal, but, on the other hand, how to meet favorably any appeal. If I may paraphrase the words of Lincoln, I would say that you can please all of the people some of the time and some of the people all of the time, but it is quite impossible to please all of the people all of the time. Decisions will undoubtedly have to be made of lasting well be distasteful to certain sections of the Dominion. I only hope that it will be possible to reduce decisions of this character to a negligible minimum. It must be obvious to anyone that, while recognizing in full sympathy the requirements of all sections of the Dominion, the national railways as a whole cannot be sacrificed to meet the wishes of any part of the Dominion. Whatever disagreement we may have, I hope it will be understood that an attempt will be made to solve all of our problems with malice toward none and charity towards all.

There are four factors which constitute the sum of successful railway administration: First, adequate net receipts; second, the development of the property to meet the burdens of future traffic; third, the relations between the railway and its men; fourth, the relations between the railway and its clientele.

The activities of any railway may be classified under one or the other of these heads. The first two are largely technical. Satisfactory net receipts involve a proper organization, capable and loyal officers, together with intelligent and enlightened administration. Given these things, and barring accidents, satisfactory net earnings will almost surely result. The preparation of the property to meet the development of the country involves wisdom and forethought. Any railway which finds itself unable adequately to meet its traffic responsibilities, is hindering the progress of the community which it serves. The relations between the company and its men involve chiefly the handling of labor, and in this respect, government-owned railways have always been particularly vulnerable. I believe that every employee of every industry, irrespective of its character, should receive that minimum wage which will enable him to live in decency, in comfort and under proper sanitary conditions, and to educate and bring up his children as self-respecting members of society. Any other policy makes for social unrest, and if carried on long enough is likely to create political upheavals. The wage I have indicated represents the minimum to be received. How much greater the wage may be depends upon the condition of the industry, the value of the service rendered, and other similar factors. Labor troubles usually disappear if they are caught when they are young; that is to say, when they are in a plastic condition. The prompt and just settlement of complaints is an effective guarantee of tranquillity. If, on the other hand, attention is not given to such matters until they become festering sores, and both sides have delivered ultimatums, the solution becomes correspondingly difficult. It is my desire that all officers of the Canadian National Railways, in their respective capacities, should be easily accessible to their men and should manfully deal with complaints. I know that there already exists a kindly feeling between our officers and their men, and I wish this spirit to be carried through our railway from Halifax to Vancouver, and that contentment and comfort amongst the men may manifest itself in smiles and good-will, and that the Canadian National Railway shall be known as the Smiling Railway.

SELF-SUPPORTING BASIS.

With respect to the public, the same policy will be pursued as with respect to the men. Everything that is asked, of course, cannot be granted, but our most pressing problem is one of development, and every effort will be made to meet the demands of the public in the promotion of increased traffic. It must, of course, be abundantly evident to all that your railways will become an increasing burden upon your pockets if freight rates are continuously lowered and wages continuously raised; and I take it that it is the desire of the people of Canada that the Canadian National Railways should be put upon a self-supporting basis and the burden on the purse of the taxpayers stopped as quickly as possible. There should be no fundamental reason why this should not be done in a reasonable time without doing the slightest injustice to either the men on the railway or the travelling public.

(Continued on Page Eleven.)

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is not incurable if you diet with Jireh Dietetic Flour and Foods. Superior to Gluten Flour and more palatable. Recommended by physicians and sold by leading grocers. Literature and Diabetic Cook Book with Menu Table sent free on request. Jireh Food Co., Brockville, Ont. For sale by leading grocers. Howe, McIntyre Co., wholesale distributors in Montreal. Jireh Diabetic Bread baked daily by James M. Aird, Ltd.

FRIDAY—the 8th inst.

being the feast of Immaculate-Conception, our store and warehouse will be closed all day.

LAPORTE, MARTIN, LIMITEE

Notice To Creditors of First Meeting Where Assignment Made

THE BANKRUPTCY ACT

In the Estate of A. SCOTT, 459 and 803 Mount Royal Avenue East, Montreal, Authorized Assignor.

Notice is hereby given that A. Scott, of Montreal, did on the 4th day of December, 1922, make an authorized assignment to the undersigned.

Notice is further given that the first meeting of creditors in the above estate will be held at the office of the undersigned, 924, Power Building, 83 Craig Street West, Montreal, on the 14th day of December, 1922, at 11 o'clock in the forenoon.

To entitle you to vote thereat proof of your claim must be lodged with me before the meeting is held.

Proxies to be used at the meeting must be lodged with me prior thereto.

And further take notice that if you have any claim against the debtor for which you are entitled to rank, proof of such claim must be filed with me within thirty days from the date of this notice, for from and after the expiration of the time fixed by sub-section 3 of section 37 of the said Act I shall distribute the proceeds of the debtor's estate among the parties entitled thereto, having regard only to the claims of which I have then notice.

Dated at Montreal, this 5th day of December, 1922.

FINLAYSON & GARDINER,
Authorized Trustees.

Department of Lands & Forests

Permits to cut timber on the under-mentioned territories will be offered at public auction at the office of the Minister of Lands and Forests, Quebec, on the 12th December, 1922, at 10.30 a.m.

1. General permits to cut green and other timber.

A.—ABITIBI REGION:

1. Township of Louvicourt East, 31 square miles.
2. Township of Fiedmont, south part, 25 square miles.

B.—SAINT-MAURICE REGION:

1. Township of Montpetit, east part, 25 square miles.

C.—LAKE SAINT JOHN REGION:

1. Chamouchouane River, block No. 3, 3 square miles.

D.—SAGUENAY REGION:

1. Township of Laval, block No. 5, 3 square miles.
2. Township of Calliers, block No. 1, 10 square miles.
3. River Bergeronnes, block No. 87a, 11 square miles.

E.—BONAVENTURE REGION:

1. Township of Carleton, block No. 5, 10 1-3 square miles.
2. Township of Nouvelle, block A-1, 4½ square miles.
3. Township of Mann, No. 6, 4¾ square miles.

2—Permits to Cut Burnt Timber.

ABITIBI REGION:

1. Township of Varsan, part A, 10 square miles.
2. Township of Malartic, part B, 2½ square miles.

ELZ. MIVILLE-DECHENE,
Deputy Minister of Lands and Forests.

Quebec, November 10th, 1922.