

tral, which runs through an equally rich and populous country, pays but a small dividend. The Erie Railway, another great Company, pays no dividend, although the gross earnings of these two latter Companies are about £6,000,000 sterling a year. The Great Western of Canada is well managed, and pays; so is the little Northern Railway of Canada. The Port Hope and Stanley pays; nay, even the Welland, and London and Port Stanley lines manage to pay the interest on their bonds. The Michigan Central, the Michigan Southern, the Pittsburg and Fort Wayne, the Baltimore and Ohio, the Cleveland and Pittsburg, and the Pennsylvania Central, and a host of other lines of moderate dimensions in the United States, all pay well.

Now take the case of the Grand Trunk. The Manager cannot pass over the main portions of his line in less than five days. What interest can there be in common between the line from Quebec to River du Loup, and the line from Sarnia to Detroit, or between Montreal and Portland, and Buffalo and Goderich? One of the great defects of American Railways built with English capital, is that they cannot be placed under the personal supervision of a Board of Directors having a stake in the Company. But if Messrs. Molson and Ferrier had ever so large a stake in the Company, what do they know of the business between Toronto and Detroit, or between Buffalo and Goderich? In the case of the Grand Trunk the effect is doubly enhanced by the powers of the Board in London being delegated to a nominal Board in Montreal, with a Managing Director whose duties extend virtually from River du Loup on the St. Lawrence and Portland on the Atlantic, to Buffalo in the State of New York, Goderich on Lake Huron, and Detroit in the State of Michigan; but practically, as administered by him from Halifax in Nova Scotia, Boston in Massachusetts, and the City of New York to Chicago in the State of Illinois. If the Managing Director was the ablest man living, it would not be possible for him to administer such a large undertaking with efficiency; he is dependent upon his subordinates for almost everything; he has no local Director at the various cities to supervise, advise, or divide the responsibility with him. I could go to an indefinite length in illustration of the defects of such a system of management. The President says he divided the line into sections of some 200 miles, making the person appointed to each section responsible to the General Manager in Montreal. This has proved a failure. The proper system to pursue, and such as stands a fairer chance than any other of making the Grand Trunk Railway successful, will be to divide the line into three separate and distinct sections, the Montreal section comprising all the lines south and east of Montreal; the Toronto section comprising the line from Montreal to Toronto; the Detroit section comprising all the lines between Toronto and Detroit; appoint to each a separate and