

over and above the ordinary surpluses of the company. It should be further noted that the extra surplus may be added to the existing surplus of the C.P.R., which amounts to more than \$317,000,000.

Defending the judgment of the Dominion Railway Commission, of which he was chairman, the Hon. Mr. Frank Carvell stated as follows :

"That it is a national necessity that the 'Canadian Pacific Railway Company be kept in a healthy financial condition."

"He admitted that these rates will be a substantial burden on the people of Canada—but he was confident the people, in the light of actual fact, **would cheerfully contribute their quota in order to keep these utilities in a position to transport efficiently the business of the country.**"

"It was admitted by all parties that the cost of everything entering into the operation and maintenance of railways has increased more than 100 per cent. during the past four years.

"The Chairman himself, indicated that from the increased rates granted, the C.P.R. alone will collect \$66,720,000 more from the people of Canada than it would have done if the increases had not been granted."

"The judgment acknowledges that the extra surplus of **\$15,064,500 is probably more than the Company should be entitled to**, and probably a little less than the actual surplus would be for the year's operation as possibly the increase in maintenance-of-way labor might not be realized."

On behalf of ex-members of the C.E.F., we do not quarrel with the judgment of the Railway Board, or with the subsequent approval given by the Government, but we do emphatically contend that the principle of the argument used by Corporation Counsel for the Railways **applies with equal force, and with probably more justice to every ex-member of the C.E.F.**

The cost of everything entering into the operation and maintenance of the soldier's family also increased very much more than 100% during the period referred to by the Hon. Mr. F. Carvell; the dollar of the soldier and his family could not purchase any more than the dollar of the railway company; the loss in purchasing power affecting the soldier's dollar as well as that of the railway, therefore if it is just and right to grant increased rates to railway companies to compensate them for the loss in purchasing power of the dollar **and so maintain them in a healthy financial condition**, it is equally just and right and the duty of the Government to compensate every ex-member of the C.E.F. for the loss in purchasing power of the soldier's dollar, and so maintain them in a healthy financial condition during the period of service.