

# SHALL WE OWN THE RAILWAY OR SHALL WE GIVE IT AWAY?

## CANADA PARTICIPATES IN NO PROFITS

of the road for the entire term of 50 years. The Grand Trunk Railway Company holds or controls all the stock of the Grand Trunk Pacific and draws all the profits.

Sir Rivers-Wilson (President of the Grand Trunk Railway Co.) said to the shareholders of his Company at a meeting called to consider the ratification of the agreement as settled by the Government:

"Therefore, the liability comes back to the sum which I have just mentioned, viz: about £3,000,000 (pounds sterling) and I have stated distinctly and clearly that that is what we estimate the liability of the Grand Trunk to be, eventually, a **POSSIBILITY** of £3,000,000 of capital and, under any circumstances, not more than £118,000 (\$577,000) of interest per year."

If the Grand Trunk Pacific Railway Co. defaults in payment of any of its rentals to Canada, we have no lien or security, of any value, from the Grand Trunk Railway Company or the Grand Trunk Pacific Railway Company.

If the Grand Trunk Pacific Railway Company defaults or refuses to operate the Eastern Section, the only recourse Canada has is to take over the section and operate it themselves, which would prove a veritable white elephant on our hands, as it would be without connections or terminals, and is, moreover, the poor or non-paying portion of the entire line.

**AS TO TRAFFIC:**—The Grand Trunk Pacific Railway Co. will assuredly give its Western traffic to the Grand Trunk Railway connections at Winnipeg (for transit via Chicago, to the sea) until the Eastern Section is completed to the north of Port Arthur, and later on, to the north of North Bay, when the Western freight will be given to the Grand Trunk Railway Company at these points; and as far as export is concerned, will go thence to Portland in the United States, in winter altogether, and in part also in summer.

When the whole line is completed to Moncton all freight NOT SPECIALLY ROUTED, which is 90% of the whole) may be delivered to the Grand Trunk Railway Company, at those points, and without doubt will be so delivered, and go thence to the United States' points as the haul would be about 300 miles less.

When the whole road is completed at an estimated total cost of not less than \$138,000,000 for construction, and the bonuses paid, it will be found that the two partners—Canada and the Grand Trunk Railway Company—will have contributed substantially as follows:

The Government will have provided:

Cash to the amount of at least	-	-	\$84 000 000	
Guaranteed bonds to the amount of at least			40 000 000	\$124 000 000

Canada will have paid in Cash, by way of interest and discounts, what is in effect a bonus to the Grand Trunk Pacific Railway, not less than	-	\$22 410 000	
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Canada will have lost three years' interest on the cost of construction of the Eastern Section, also rentals amounting together approximately to not less than	\$9 000 000	\$31 410 000
		<b>\$155 410 000</b>

While the Grand Trunk Railway Company will have provided as their share:

Guaranteed bonds not exceeding	-	-	\$14 600 000
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On this footing the respective contributions of the two partners will be,

Canada, not less than	-	-	\$155 410 000
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The Grand Trunk, approximately,

		14 600 000
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What are the respective PROFITS of the two partners?

Of the \$45,000,000 total common stock of the Grand Trunk Pacific, the Grand Trunk Railway Company as a consideration for giving the above guarantee of \$14,600,000, receives common stock of the Grand Trunk Pacific Railway Company to the amount of	\$25 000 000
The Grand Trunk having sole control of the Grand Trunk Pacific, may also issue as it pleases the remaining	\$20 000 000

## CANADA GETS ABSOLUTELY NOT A DOLLAR OF THE STOCK

Canada is under contract to lease the Eastern Section, after completion, to the Grand Trunk Pacific Railway Company, for 50 years, with a right of renewal for 50 years more, during seven years of which it gets no rent, and for the next three years it gets only 3% on the cost of construction, IF THE NET SURPLUS EARNED BY THE RAILWAY PROVIDES IT.

When Sir Wilfrid Laurier's Government were returned to power in November, 1900, this Trans-Continental railway was not projected. The electors of Canada have never had an opportunity of expressing their opinions upon the subject. It is clear that the Government has contracted on behalf of Canada to assume nine-tenths of the financial responsibility and the Grand Trunk Railway Company only one-tenth.

It is a question, therefore, for every elector to answer on the 3rd of November next for himself.

"WOULD IT NOT BE IN THE INTERESTS OF CANADA TO PAY THE OTHER ONE-TENTH AND OWN THE RAILWAY OUTRIGHT?"  
Mr. Borden and the Conservative Party say: "YES IT WOULD. LET US HAVE A GOVERNMENT-OWNED RAILWAY, NOT A RAILWAY-OWNED GOVERNMENT."

Canada further by the deal proposed by the Laurier Government, practically makes valueless the \$70,000,000 invested in its Intercolonial Railway by taking away all possibility of western connection and Traffic.

Do not VOTE to tie up Canada to the Grand Trunk Railway Company. Let us be FREE!!!

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