

The Brain Browsers' Guide

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THE WESTERN ELECTIONS

There is undoubtedly a deep significance in the fact that the provincial elections in Manitoba, Saskatchewan, Alberta and British Columbia have gone Liberal by overwhelming majorities. Explanations of these results will be many and varied, but the outstanding fact remains that the majorities in each province were decisive. The various charges of political manipulation, patronage, jugglery, foreign vote and similar explanations even if they were all true in the extreme, which they were not, do not account for the results. Nor does the fact that the women voted in Saskatchewan and Alberta afford sufficient reason. It was an outraged public opinion that swept from power the political pirates in Manitoba, and it was much the same in British Columbia. Corruption and graft in these two provinces undoubtedly surpassed anything in the history of Canada. The investigations in Manitoba brought on an epidemic of graft charges against governments and individual members in many Canadian provinces. In Saskatchewan some charges proved to be true. But the government was wise enough, and confident in its own integrity, to investigate these charges and punish the guilty which evidently gave satisfaction to the general public.

There is no clearly defined difference between the policies of the Liberals and Conservatives in Saskatchewan and Alberta. In fact there is no good reason for party politics in any of the provincial legislatures, and aside from the tariff there is practically no difference between the two parties at Ottawa. The Saskatchewan and Alberta governments have been progressive and generally their record has been in keeping with the spirit of the West. But there is still a good deal of progressive legislation needed in both provinces and in fact in all the Western provinces. Aside from local matters it would appear that political conditions at Ottawa had a very great influence on the result of the elections in Saskatchewan and Alberta. There is a general feeling in this country that the West has never had a square deal from either political party at Ottawa. This opinion was voiced in the days of the Laurier government and has grown more insistent year by year. The present government has steadily ignored the West. Furthermore, its record in the conduct of the war, political patronage and catering to the big interests, has aroused the people all over Canada, regardless of party affiliations. It was undoubtedly in a large measure due to this feeling in the West that has given such a large majority to the Liberal party.

The Independent vote, which is a very big factor in the West, went largely Liberal, but if need be will undoubtedly go as strongly against the Liberals. The West was never in better shape to elect Independent, progressive candidates for the House of Commons than it is today. Public opinion is thoroughly aroused and neither of the federal political parties has any firm grip on this country. Both of them are in bad odor. If Western people seize the opportunity and send to Ottawa a strong contingent of progressives the West will no longer be ignored.

THE INTERCOLONIAL DEFENCE

For years the Intercolonial Railway has been held up by the exponents of private ownership as convincing proof of the failure of government owned railways in Canada or United States. It has been subjected to particularly heavy attacks from the ablest advocates of private control during the last year. Recently J. L. Payne, comptroller of statistics, department of railways and canals

for Canada, published a remarkable rebuttal of the arguments of private ownership advocates. Mr. Payne has done so in a strictly judicial manner and not as an advocate of either private or government control. He elucidates several essential points often completely hidden in the maze of arguments surrounding the success or failure of the Intercolonial. The prime consideration in the construction of the Intercolonial was to act as the cement of Confederation of the Eastern provinces. Such a railway was guaranteed to the maritime provinces by section 145 of the British North America Act, and it stands today as the seal of a solemn compact entered into at Confederation 50 years ago. It was essentially a government undertaking as no corporation wished to build it. The poor location of much of the Intercolonial, which is commonly attributed to mismanagement under government auspices, was not due at all to mismanagement, but to the imperative insistence of the Imperial government in London that the new road should be kept as far away from the American boundary as possible. As a consequence a section several hundred miles in length was established, which even now produces little traffic. It was a political road and much of its extra cost is due to strategic reasons.

The chief reason for the so-called failure of the Intercolonial in a commercial sense has been its low freight and passenger rates. Mr. Payne makes pertinent comparisons between the Intercolonial and the Canadian Pacific, the richest and certainly one of the best handled private corporations in the whole world. The best year for the C.P.R. was 1913. In that year its rate per passenger per mile was 1.983 cents. The rate on the Intercolonial the same year was 1.617 cents. The C.P.R. rate was 22.6 per cent. higher than the Intercolonial. The C.P.R. freight service cost 784 cents per ton per mile. The Intercolonial rate was 570 cents. The C.P.R. rate was 37.5 per cent. higher than that of the Intercolonial. Had the C.P.R. operated both its passenger and freight service in 1913, its best year, at the same rates as the Intercolonial, it would have had only \$12,523,944 net earnings instead of \$43,049,764 and on that would barely have been able to meet fixed charges, having nothing for dividends. Had the Intercolonial during the same year operated at the same rates as the C.P.R. it would have earned a surplus of \$3,787,893.

The Intercolonial has water competition along its entire length for seven months of the year and for the full year along most of its productive mileage. This has until very recently precluded any advance in freight rates. But low freights were accounted for in another manner. The people of Ontario and Quebec have full and free use of the canals of these two provinces. These cost more than the Intercolonial. Hence the people of the maritime provinces would strenuously object to paying interest charges on the Intercolonial while those of Ontario and Quebec paid nothing on canal traffic. The Intercolonial is not a high salaried road, comparing most favorably with the C.P.R. in this particular. Its trains and roadbeds are good and its station buildings sufficient, but not extravagant. It is commonly charged that the deficits on the Intercolonial Railway have been due to mismanagement and that this is a sufficient example of the inefficiency of government ownership. Hence it would be natural to suppose that all corporate owned roads would be profitable and safe examples of the efficiency of such management. But there are over 2,000 corporate railways in the United States and less than one-tenth of that number in Canada, and less than 10 per cent.

of all these have ever earned a dividend. Further in the famous Western rates case a few years ago the C.P.R.'s main contention in keeping up Western rates was that it lost money on its Eastern division, a division more advantageously placed than the Intercolonial. Hence under these conditions has anyone any right to regard the record of the Intercolonial as a condemnation of railway nationalization? We certainly think not and such advocates make themselves sound rather ridiculous in the face of these facts.

NO U.S. FREIGHT INCREASES

Previous to the recent application of the Canadian railroads for a 15 per cent. horizontal freight increase the roads of United States made a similar application. Coupled with this was a request for various reclassifications. The application on American roads was made on very similar grounds to that of our own railways, that an emergency exists in the railroad companies' situation due to war conditions. The Interstate Commerce Commission, the body in U.S.A. equivalent to our Railway Commission, in deciding against this increase a few days ago said in its finding:

"Only a most urgent and extraordinary situation would justify tariffs carrying a large percentage of increase to become effective. This record does not disclose the existence of such a situation. The emergency which the carriers believed existed in February when these proceedings were initiated was attributed by some primarily to the war in Europe. It has not been shown that military transportation is likely to be a financial burden. On the contrary, certain facts indicated that transportation of troops had been more remunerative in the past than ordinary passenger transportation. This record does not convince us that increased rates will facilitate successful prosecution of the war.

"An examination of operations during 1916 shows that year was as a whole more profitable for the carriers than any preceding year and it may be assumed that they can suffer some abatement without being in any way incapacitated."

There is no reason to believe that any worse situation exists as regards Canadian roads. The earnings of our roads have shown as great increases during war time as have those of United States, and their expenditures for material and labor in that time have been no greater comparatively. It is equally certain that almost half our railroad accommodation as represented in the C.P.R. could suffer not only "some" abatement, but a serious abatement in its profits without in any way incapacitating it.

THE LIBERAL CONVENTION

Official Announcement was made from Ottawa on July 5 that a modest Liberal convention, representing the four Western provinces will be held in Winnipeg on August 7 and 8. The announcement says that the convention is necessary so that the "Western Liberals could consider what their attitude should be toward a number of serious economic and political problems arising out of conditions created by the war." Another clause in the announcement says: "While plans have not been worked out, it is understood that facilities will be afforded to every progressive element in Western Canada to participate in the convention." It is an excellent idea to hold such a convention and to give people an opportunity to express their minds on these national problems. It is to be hoped, however, that the scope of the convention will be broadened so as to include full representation from the progressive element of the entire West. If it is to be merely a party convention it will not measure up to its possibilities for good. Liberalism at Ottawa is, and has been for many years, a name only. The Eastern