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**The Crow's Nest Compromise.**  
Under the Crow's Nest Pass agreement of 1897 the Canadian Pacific Railway Company agreed, in return for a Dominion subsidy of nearly three and a half million dollars, to make specified reductions in the then existing schedule of freight charges. The reduction in rates provided for on grain and flour from the Prairie Provinces to the head of the lakes was three cents per 100 lbs. Provision was also made for a reduction in the rate on a number of commodities, including farm implements, binder twine, apples, etc., from Eastern points to the West. The reduction in the rate on implements to Saskatoon, as compared with existing rates, amounted to fourteen cents per 100 lbs.; on twine to Winnipeg, 44c; on furniture to Regina, 60c per 100 lbs., corresponding reductions in the articles specified being made to other points.

This agreement continued in effect until the war compelled a temporary suspension. As a result of continued agitation after the war Parliament removed the suspension and thus brought the agreement once more into effect. Subsequently, however, on appeal by the Canadian Pacific to the Supreme Court, a judicial decision was given declaring that the agreement applied only to C.P.R. lines in existence in 1897. As a result of this decision the rate on grain from Edmonton, for example, to Fort William would be based on the regular schedule, while Calgary would get the benefit of the lower rate provided for in the Crow's Nest Pass agreement. Similar discrimination would, of course, exist as between scores of other centres on the prairies on shipping grain or flour eastward. So, too, in shipping implements, furniture, twine, etc., from Ontario points westwards there would be discrimination against Windsor, Brantford and other points that were not touched by the C.P.R. system twenty-eight years ago.

This, of course, was an impossible position and the Dominion Government has proposed, and Parliament has accepted, a measure of relief. In this relief measure it is provided that the Crow's Nest rates on grain and flour moving eastward shall continue in force not only on C.P.R. lines in existence in '97 but that these rates shall apply to all railways now in operation in the Prairie Provinces. Instead, therefore, of the reduction provided for in grain and flour applying only to the 3,000 miles of C.P.R. lines

in existence on the prairies in 1897, they will apply to the entire 12,000 miles, including the Canadian National, in existence to-day. As against this, however, the reduction in rates on specified classes of westbound freight, which applied only to C.P.R. lines existing in 1897, has been abolished and all centres in Eastern Canada are thus put on an equality by all being obliged to pay the regular freight charges. Thus, in return for an extension to all parts of the West of the benefits accruing from reduction in rates on grain and flour shipped east, the lower rates accorded a limited number of Eastern centres in shipping furniture, farm implements, etc., to the Prairie Provinces have been withdrawn.

The compromise seems on the face of it to be not altogether unfair so far as the Crow's Nest Pass agreement is concerned. There is left untouched, however, the complaint of the Prairie Provinces generally that much higher rates are charged in the West than are imposed in the East for like service by railways. There is left untouched, also, the grievance based on the fact that rates from Alberta and Saskatchewan to the Pacific are proportionately higher than rates to Fort William although the grades over the National Transcontinental to the Pacific are easier than the grades to Fort William. These matters are to be left to the Railway Commission for adjustment but if that Commission does not show a clearer apprehension of what is expected of it than it has shown from the beginning of the time of F. B. Carvell onward the demand for a shake-up in the personnel of the Commission will become irresistible.

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