

ally, and it was said especially, even after the completion of the road to the north of Lake Superior, that it would never be run—that the traffic would not pay the grease on the wheels of the locomotives. *That feeling has all disappeared.* * * * No one can suppose for a moment that under the present circumstances that road will not be run. Such a thing as the abandonment of the road or any portion of it, and the forfeiture of their charter,—such abandonment is out of the question.” Etc., etc.

We accept Sir John Macdonald opinion, and believe it to be sound. Further than that, we believe that a line to our southern boundary giving the C.P.R. connection with the Northern Pacific

road, and through that with Montana, Dakota and Minnesota would benefit the C. P. R. And besides this the more rapid development of the Northwest, consequent upon our having railway competition, would accrue to the advantage of the C.P.R. Co. in the increase of traffic incident to an increase of population and in the increase in value of its countless acres of land in the Northwest.

In conclusion, I am desired to thank you on behalf of the Conservative Anti-Disallowance Association of Winnipeg for your goodness in giving so much of your valuable space to the publication of these letters.

F. BEVERLEY ROBERTSON.
Winnipeg, Feb., 1887.

V

The Effect of Monopoly.

From every part of Manitoba and the Northwest comes the cry of unfair charges over the line of the Canadian Pacific Railway. In an article upon the proposed railway commission the Kamloops Sentinel of the 23rd ult. suggests:

“That they (the railway commissioners) should make a visit to Kamloops and the country extending from Donald to Port Moody, where the freight and passenger rates charged by the C. P. R. are a menace to the present and future welfare of this country.”

And, after quoting some instances in support of its statements, concludes as follows:

“Let it be understood that the Sentinel is not attempting to decry the Canadian Pacific Railway. The important part it has played in the development of the country we willingly acknowledge and attest to, but we do contend that the rates charged the people of this Dominion who, it may be truthfully said, have built the road with money out of their pockets, are beyond peradventure extortionate. This fact we feel assured will be admitted by all amenable to reason, and we have no reason to think that the railway commission are not so.”

Now, there would be some reason for excessive charges if the C. P. R. Company were losing money in operating the line. But they themselves claim that they have not done so from the first. In 1882-83 their net earnings (surplus of earnings over all operating expenses), was \$561,143; in 1883-84, \$1,191,890; in 1884-85, \$2,371,350; in 1885-86, \$2,865,429, while in 1886-87 they anticipate a surplus of \$3,500,000. Up to the close of construction stockholders were getting over 10 per cent on their investment, and this year the company has advertised a dividend amounting to 8 per cent on investment. Consequently it is not their poverty that induces their high tariff. Now, the company has received from the Canadian people:

Completed road, costing	\$35,525,444
Cash subsidy	35,000,000
From sale of lands (cash)	12,000,000
Municipal bonuses	370,000
Total	\$82,895,444

and have land remaining to the extent of more than 13,000,000 acres, which, if sold at an average price of \$1.25 per acre, would make the total gift to the company upwards of \$100,000,000. The company claims that the right of way, construction and equipment of the road cost them less than \$80,000,000, and the administration of the land grant some \$300,000; so that the company gets a road which practically costs them nothing, and a bonus of \$20,000,000 for building it. The land grant was originally proposed as a means of recouping the losses it was estimated would occur on traffic, but as no losses have occurred, it may be considered as a bonus. Now, what do we get for our generosity? Excessive freight and passenger tariffs! So narrow is their administration that the passenger rates on the Emerson branch were last spring raised from three cents per mile to four cents. But somebody benefits.

“A San Francisco despatch of the 3rd inst., states that another cut has been made in the price of tickets from that city to New York. A rate of \$61 prevailed for a few days when the Canadian Pacific made a bid for the overland travel at \$50 to New York for a first-class ticket, limited to 30 days. Such is the benefit conferred on the public through competition.”

That is to say, we have bonused the C. P. R. to the extent of \$100,000,000 to enable them to carry American travel from San Francisco to New York for \$2.85 more than they charge for taking a Winnipegger to Montreal, and \$29.50 less than they will charge for taking him to Victoria B.C.? And this fare includes a first-class passage from San Francisco to Victoria, which ordinarily costs \$20. To think that this state of things must endure for the next fifteen years under the monopoly clause of the C. P. R. contract would be intolerable, and we doubt if any partizan policy will induce the people of Manitoba to submit to it.—
Manitoba Sun, January 12, 1887.