

Before considering the actual conditions surrounding this problem to-day let me ask you to look at the primitive starting point from which these same conditions have been evolved. For that purpose let us compare for a moment the position occupied by Canada at the opening of the 20th century with that of our great neighbor at the opening of the 19th.

In the year 1800 the population of the United States amounted to 5,300,000 people, grouped together as a fringe along the shores of the Atlantic Ocean; behind them to the westward an undiscovered waste of wilderness and plain, not a single mile of railroad, not a single mile of canal development, no roads to speak of, no wealth, but the indomitable courage, perseverance and faith of her people; and upon this courage and confidence has been built up in 100 years a nation numbering 90,000,000 people, possessing 217,000 miles of railroad, and a country extending from the Atlantic to the Pacific.

The cause of such wonderful progress must be sought in the early, wise and persistent development of her means of communication and transport. And while the 19th century yielded to the United States a marvelous growth in her interior transportation facilities, it is interesting to note that in 1860 she carried 66 per cent. of her export and import trade in her own ships, in 1906 she only carried 12 per cent.

Canada, on the other hand, starts the 20th century with 6,000,000 people, not huddled together on her Atlantic Seaboard, but stretching a continuous line of prosperous provinces from sea to sea; her continent spanned by the steel ribbons of three great railway systems; her natural waterways linked together by a canal system which has no rival; an annual trade