

general tax levy. With the safeguards we suggest observed, no dishonest competition can or will take place.

Then again, is it not well to have a yard stick with which to measure the performances of your railway administrators? Railways—successful railways—never can stand still. Facilities must from time to time be enlarged, practices changed to meet new conditions, extensions of usefulness in all directions made in order to properly cover the ever-increasing demands of public service. The country's successful line, the Canadian Pacific, is an illustration of this fact. Undoubtedly its usefulness will increase in the future as it has in the past. The National Railway System will not properly serve the public unless progress and increased facilities and potentialities characterize all its activities. There will be but little danger of lack of effort in this direction under the spur of an intelligent and effective competition and little danger of paralysis and dry rot resulting from political interference and the patronage system. Over and above all other considerations the underlying public necessity, transportation, will not be unnecessarily jeopardized.

As I have already pointed out, we deal with conditions and not theories. The conclusions we have arrived at are the logical results of existing conditions, not of the application of theories. The Grand Trunk itself says it is at the end of its tether. It is impossible for it to carry the burden of the Grand Trunk Pacific. The cost of that system, as returned to the government February, 1916, amounted to \$197,129,590, and of this sum \$123,000,000 represents the commitments of the Grand Trunk proper, either cash or credits. The only other financial interest, ranking as it does for the most part in priority to all Grand Trunk claims, is that of the country. The application of public ownership is hardly in question. The country, in fact, owns the system already. Its position is in effect that of a first mortgagee whose security is hopelessly in default with no hope of a redemption. Shall the country assume the interest obligations and the responsibility for operating losses on this line, which, standing by itself can yield no proper returns to the country, or shall the property be made valuable and useful by including with it the Grand Trunk, the necessary eastern connections?

The original scheme certainly contemplated one system, construction in the West to supplement the system in the East. Separated from the West, the Grand Trunk itself cannot discharge the full measure of public service. The recognition of this fact caused Mr. Hays and his company to build their western system. Undoubtedly in the public interest the system which was intended to be one and complete must be so operated and this the Grand Trunk itself says it cannot do. In view of essential public necessity you are driven by the acts of the Grand Trunk itself to public control.

Then as to the Canadian Northern. The total amount of public assistance, direct and indirect, amounts to the sum of \$298,253,263. This sum is over \$12,000,000 more than the country's investment in the National Transcontinental, Intercolonial and Prince Edward Island railways. Again the country is in the position of the mortgagee, not only with securities in default, not only without any present hope of redemption, but faced with the fact that to put the system in working order, experts reporting for the company report that new capital required for a minimum program for three years amounts to \$54,000,000, and for their maximum program for a five-year period, \$86,000,000.

Parliament in 1914 authorized the guarantee of the company's securities to the extent of \$45,000,000. The guarantee was secured by mortgage and under the provisions of the Act the Governor-in-Council has power, when authorized by parliament, to declare by order, if default is made by the company in payment of interest, that the equity of redemption of the company is absolutely barred and foreclosed and thereupon the whole property becomes vested in the Dominion. Defaults have been made, defaults continue. Why should the company not be held to its obligations? Why should it, particularly at a time like the present, receive further bounty? Why should the country's money be expended in the construction of eastern lines and terminals largely unnecessary if the system be operated in conjunction with the Grand Trunk?

We all recognize the evils of political management of public undertakings. Under our plan these evils are entirely eliminated. We propose the application of business methods—the most approved company methods—to the transportation problem. It ought to be run on business lines. There ought to be no cabinet or parliamentary interference, there ought to be no political patronage. I am confident these results can be obtained. If they cannot, then the defects of our system of government must indeed be grave, our common honesty and fixity of purpose sadly lacking.

I do not believe that one parliament will wrongly undo the work of another, as is suggested. Our plan is termed by the opponents of the system, "fantastic." It is the plan adopted almost universally by the companies themselves in order to obtain a proper continuity of policy and efficient management. Company directors themselves nominate their successors for election by the shareholders. We simply adopt company methods where tried and found effective in carrying out the public business.

### MANY MONTREAL ENGINEERS VOLUNTEER TO AID IN RESEARCH WORK.

The Montreal members of the Canadian Society of Civil Engineers held a meeting last Thursday evening at the headquarters of the society for the purpose of discussing the collection of information for the Honorary Advisory Council for Scientific and Industrial Research. Members of the Canadian Mining Institute and of the Society of Chemical Industry also attended, as these societies are co-operating in the work.

Prof. E. Brown explained that a list of 1,500 manufacturers in Montreal had been received. These had been subdivided into wards and districts and thirty teams would be appointed from the three societies, each team comprising about six members, to make a personal canvass of these manufacturers in order that the full information asked for in the questionnaires may be obtained so far as possible. Prof. Brown will have charge of the work of the teams.

The captains of the teams are as follows: E. Marceau, A. Surveyer, J. C. Smith, J. M. Robertson, R. M. Wilson, deGaspé Beaubien, J. T. Farmer, J. S. Costigan, O. O. Lefebvre, H. Rolph, K. B. Thornton, F. B. Brown, E. Fraser, W. D. Black, F. H. Pitcher, A. F. Byers, R. deL. French, G. R. McLeod, W. W. Plumb, Lieut.-Col. C. N. Monsarrat, M. Beullac, A. R. Roberts, H. Y. Russell, J. W. Bell, J. A. Dresser, Capt. J. G. Ross, Dr. Milton Hersey, Leo. Ryan, C. A. Hazen and J. A. DeCew.