RAILROAD DEVELOPMENT, COST AND WAGES

Government Railroads Compare Unfavorably with Private Enterprises in These Features.

The following memorandum has been issued by the Canadian Northern Railway:—

In the three cardinal features—development of country traversed, cost of service to the public and wages paid to employees—the state-owned railway systems, even those of Australasia, compare unfavorably with the privately owned railways of Canada and the United States.

The railways of North America give the cheapest railway service in the world and the wages of North American trainmen are the highest of which there is any record.

The only country with state-owned and operated railways to which economists point with any degree of assurance is Germany. The reasons for success there and the reasons presaging a lack of success in democracies, are given by Mr. W. M. Acworth, the British representative on the international board of inquiry into the Canadian railway situation, who, in speaking of the English railways, said recently:—

"Now, I am no foe of government railways. On the contrary, I believe that in countries with a population less self-reliant than our own, such a policy is necessary. In a country with a bureaucracy as well-trained and as well-organized as that of Prussia, it may even be desirable. Nay, more I am not concerned to deny that even here state purchase might do something to bring up the worst railway services more nearly to the level of the best. But a careful study of the evidence has convinced me that in the long run state control ends in keeping down the best to the level of the worst, and that, taking them all for all, the private railway companies of England and the United States have served the public better than the government railways of the continent, or of our Australian colonies, and which is still more to the point, are likely to serve it better in the future."

Germany and Canada.

The employees in 1913 on the railways of Germany numbered 786,466 and were paid, on the average $408.97 per year, 38 per cent. of the gross earnings. In Germany, all classes of freight considered, one and a third cents or 13 mills were collected for each ton of goods moved one mile.

In Canada during the fiscal year ended June 30, 1915,—the figures are used because they were those compiled from official records by the Bureau of Railway News and Statistics, Chicago—the employees numbered 124,142, who received on the average $727 per year, more than 45 per cent. of the gross earnings. Yet in Canada the railways collected only 7.51 mills, or about three-quarters of a cent for each ton of freight moved one mile. The rate charged in the United States for similar service in 1915 was 7.380 mills, or about ⅛ of a mill less per ton than in Canada.

In Australasia, where are established the only democracies constitutionally comparable with Canada, the railway situation is exceedingly complicated and the conditions—revenues collected and wages paid—vary in each division of the island continent.

Results in Australia.

New South Wales in 1914-15 had 4,057 miles of railway, and 24,515 employees exclusive of some 1,500 reported with the expeditionary forces. The state received 1.90 cents or nearly 20 mills for each ton of freight moved one mile (and in addition there are terminal receipts per ton of 23⅓ cents) and paid each employee on the average $741. Without counting in the terminal charges at all this 1.90 cents per ton per mile constitutes an increase of ⅛ of a cent upon the figures for 1914. The railways of New South Wales comprise the only standard gauge system in Australia.

Queensland in 1914-15 had 4,730 miles of railway of 3½-foot gauge. In addition there were some 400 miles of line in private hands and operated by local authorities and companies. The statistics do not say how much Queensland collects for each ton of freight, but this state pays to its 11,267 railway employees a little less than $650 per year.

South Australia in 1914-15 had 2,026 miles of railway, of which more than 1,100 were 3½-foot gauge and the remainder 5 feet 3 inches, in 1915. The employees numbered 10,182 and the average wages paid were $412.95 per year. The railways of South Australia charge 2.12 cents, or more than 20 mills for moving each ton of freight a mile, an increase of more than ¼ of a cent per ton upon the figures of 1914.

Western Australia in 1914-15 had 3,096 miles of railway entirely 3½-foot gauge. There were employed 8,148 persons and the average wages paid were $790.30 per year. In this system, also, it is not shown how much the railway collects for each ton of freight carried one mile.

Victoria in 1914-15 had 3,848 miles of railway, 122 miles of which is 2½-foot gauge and 3,726 miles 5 feet 3 in. The statistics do not show how much this state charges for moving freight, but point out that it pays its employees on the average $660.73 per year.

New Zealand in 1913-14 had 2,861 miles of railway entirely 3½-foot gauge. Employees numbered 14,176 and the average wage paid was $674.28. The statistics do not show the details of the revenues obtained for moving freight.

The wages paid on the Australasian systems vary, and the average for the six divisions is $654.76 compared with $727, the average paid in wages in Canada in 1915.

In Canada the enterprise of the railways has broken up the country into farms. In Australia there are ranches many thousands of square miles in extent, and the exports of wheat tell the story of the failure of the Australian railways to stimulate general farming activities.

TO BUILD STEEL SHIPS.

Mr. R. P. Butchart and Captain J. W. Troup, director and assistant director, respectively, for the Imperial Munitions Board for British Columbia, on their return to the Pacific coast from Ottawa, where they were in consultation with the Imperial Munitions Board in regard to the construction of wooden steamships, made the following statement:—

"The Imperial Munitions Board has decided upon the building in Canada of a standard type of vessel, 250 feet long, 43 feet 6 inches beam and 25 feet deep, with a deadweight capacity of about 2,800 tons on a draft of 21 feet. The vessels are to be built very strongly, with box girder stelsons. They have a deep tank forward for water ballast. They are to be propelled by steam, with triple expansion engines of about 950 indicated horse-power. The matter of geared turbines from England is being considered for some of the ships. The vessels are to be built of Douglas fir to Lloyd's requirements for A1 classification.

"The authorities are in favor of concentrating on steel shipbuilding in Canada rather than on wooden ships, it being considered preferable to build boats of steel construction."

Mr. Butchart and Captain Troup have placed the facilities of British Columbia before the board, and as soon as they have an opportunity of lining up the situation in British Columbia they will report to the board as to the building that could be undertaken there. The programme that has so far been outlined is not extensive. It remains to be seen what facilities and what inducements British Columbia can offer to the authorities.

C.N.R. EMPLOYEES SIGN PETITION.

Employees of the Canadian Northern Railway presented a memorial to the Prime Minister last week, protesting "in the strongest terms possible against putting into effect of the majority report of the Royal Commission," which investigated the Canadian railway situation. The memorial was from conductors, engineers, trainmen and firemen. It opposes the nationalization of the Canadian Northern and Grand Trunk systems, and urges that Government operation of a railroad by commission or otherwise free from political influences is practically impossible. It quotes with approval the conclusions of the minority report, made by A. H. Smith, "the only practical American railway man on the Royal Commission." In conclusion it contends that if the Canadian Northern is given some further assistance, especially to secure equipment, the company will be able to work out its own salvation.