

SAYS NO FAVORS AND NO POLITICS ON C.N.R. SYSTEM

Sir Henry Thornton Vetoes Dividing Head Offices Between Montreal and Toronto.

PLANS TO ESTABLISH THEM WHERE THEY ARE HANDIEST

First Six Months Given Up To Study of Lines and the Country.

NEW YORK, Nov. 29. — "The headquarters of the Canadian National Railways will be in the place from which the National lines can be most economically and most efficiently operated."

Sir Henry Thornton, recently appointed head of the Canadian National Railways, in an interview with a representative of the Canadian Press tonight, declared that this was the only statement it was possible for him to make at present regarding the much discussed question of the probable location of the head office of the Dominion's big transportation system. Sir Henry, formerly general manager of the Great Eastern Railway of England, is in New York en route to Ottawa to assume his new duties. On his arrival from England on the Olympic yesterday he told an interviewer who questioned him on the subject that for the present his office would be probably "wherever he hung up his hat." The hat of the Canadian National Railways chief will likely be hung in many places during the next six months.

"My first duty will be to get a thorough knowledge of the lines I am to administer," said Sir Henry tonight. "During the next six months I shall probably have to spend 75 per cent. of my time on the road. I shall have to familiarize myself with the various parts of the system, and the problems which are to be faced in each. I also want to get acquainted with the officials of the system, and with the people of the country. I am going to operate these lines in the interests of the people of Canada. I must first of all get to know them and learn their requirements."

Sir Henry said that it would be impossible to make any decision

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regarding the head office until he had had opportunity for considering the situation. Questioned regarding a suggestion that the executive office might be in Montreal, and the chief operating office in Toronto, Sir Henry said that he was opposed to such a plan. Separation of departments of the organization was not feasible. The chief executive offices and the chief operating offices must be in the same city, thought there would, of course, be a number of divisional headquarters for the operation (under the control of the head office) of the various sections of the system.

Sir Henry declared his firm intention of keeping the administration of Canada's Government railway system clear of political interference.

No Politics.

"There will be no politics in connection with the administration of the Canadian National Railways," he said. "There will be no favors shown to anyone, and we will cater to no party, and to no interests but the interests of the people of Canada for whom we will administer the roads."

Direct Government operation of railroads had never proved a success, Sir Henry declared, and he emphasized the point that this would not be the system employed in Canada.

"The plan of operation will be similar to that of a privately owned transportation system," he said, "except that we will be responsible to only one shareholder—the Government of Canada, representing the people of the country."

"Where does the Minister of Railways come in on this plan?" he was asked.

"He is the representative of the one shareholder," replied Sir Henry. Sir Henry said that competition of the Canadian National Railways with the C.P.R. was to be expected. "A certain amount of competition is good for a railway," he said, "and I have no doubt that we will have some of it in Canada."

Discussing conditions in the Old Country, Sir Henry said he thought that the recently announced plan of the British Government for increasing employment by encouraging the railroads to go ahead with necessary construction work would be beneficial to the country. A large part of the work to be undertaken in the near future would be the electrification of the terminal and suburban lines. Several of the railroads were already at work on electrification programmes. He pointed out that this would furnish employment for a wide circle of men in various trades. Apart from the actual work on the railways, a large number of industries would increase their activity through furnishing the material that would be required.

The grouping system which was inaugurated through the law passed two years ago appeared to be working out satisfactorily. Under this law the railways of Great Britain are required to organize in four large groups, covering different sections of the country. The details are left to the railways themselves, but the Government has appointed an arbitration tribunal of three men to settle any differences that may arise in connection with the schemes.

The object of the group system is, by preventing wasteful overlapping of service, to enable the railways to make a just return upon investment without permitting increased rates or decreasing pay schedules.

Sir Henry plans to leave for Ottawa tomorrow night. Hon. George P. Graham, Minister of Railways, who came to New York to meet him, will return to the Capital with him.