

transferred to barges or cars, for shipment to the Atlantic seaboard. The deepening of the St. Lawrence will permit these cars to be released for work elsewhere, and it is safe to assume that the releasing of these cars will result in a better supply out west.

For the above reasons it is the duty of the producers of western Canada particularly, to take an active and sympathetic interest in this large undertaking. You can rest assured that the creation of this route will: (a) Reduce the freight rates; (b) Eliminate the tax on grain

caused by shortages, etc. The total saving affected is problematical at this juncture but there is no doubt a substantial saving will be effected.

The final scheme, however, cannot have the approval of the western producers until more is known regarding the development, cost, etc. For this purpose the International Waterways Commission has been requested by the respective governments to make a thorough examination of the scheme, and also collect data from the different interests of the two countries.

Administration of Railways Debated in House

Government Having Difficulty in Keeping System Clear of Parliamentary Interference — Merchant Marine Policy also Involved — Results of Operation will be Placed Before Public Accounts or Special Committees

(Special to *The Monetary Times*.)

Ottawa, April 29th, 1920.

THE pioneer problem of Canada was transportation, and it continues to be the greatest problem before parliament. It creeps up continually in some form or other nearly every day of this session. With a national railway system representing the widest experiment in public ownership ever undertaken anywhere under fire; with a mercantile marine, partly under construction and partly on the seas; with western members demanding a completion of the Hudson Bay Railway and urging new branch lines; with parliament called upon to vote millions to make up deficits, to increase harbor and shipping facilities, and with the question of possible increased freight rates to the fore, the House has given most of the present session to consideration of these issues.

House Wanted Information

This has been an exceedingly peaceful session so far, and the first storm on the horizon was stirred up over the question of the method of operation of the Canadian Northern System. Hon. Dr. Reid determinedly refused to give the House certain information in regard to railroad contracts, claiming that it was not in the interest of the system. It was being sought by unsuccessful contractors, who had been refused the information in the regular channels. Dr. Reid has a blunt and not very diplomatic way, and he, perhaps, stirred up unnecessary antagonism, but he made, at least, plain his refusal to answer unreasonable questions and as to the aims, in his mind, of the questioners.

The opposition challenged the right of the minister to refuse on the floor of the House any information in regard to the public-owned system. The issue raised is an interesting one, and in it is involved the whole question as to the method of operation of the government-owned system. The opposition claimed a constitutional question was at stake as to the rights of parliament to control expenditure. The government insisted, on the other hand, that there was no attempt to conceal information, but that if the government system was to be a success, it must be completely divested from politics and from petty interference by members of parliament, and must be given the advantages of corporate control. The government claimed that if the opposition had its way, it would mean a return to the old methods by which the Intercolonial was managed; these could hardly be claimed to have been successful. "Who would suggest," asked Hon. Arthur Meighen, "that this system could be run in competition with the C.P.R. if it were to be managed, day by day, by parliament; if its business affairs were to be constantly exposed to its competitors, and if it were to be made a mark, subject to all the handicaps that departmental management of the Intercolonial involved for so many years?" Mr. Meighen pointed out that, if the minister of railways was to answer daily questions as to the man-

agement of the road, then the board of directors would have to be under him and subject to him. If the minister is put back in control, then they were right back to the old system of departmental management, the old patronage system.

Full Statement Later

While the government refused to answer daily questions in regard to the management of the road, it was claimed that there would be an opportunity to probe its operation to the full later. There would be an annual report, with a fully audited statement. When this is brought down it could be subject to investigation, either by the Public Accounts Committee or a Special Committee of the House.

There promises to be more heard of this whole question before the session is over, as the opposition is not satisfied with the attitude of the government and threaten to make an issue out of it.

The same question is also being raised in regard to the operation of the Mercantile Marine, and Hon. C. C. Ballantyne has taken the same stand as Hon. Dr. Reid. Mr. Ballantyne has been just as outspoken and as determined as the Minister of Railways. He declared that there was no possible chance for success of a government system of railways or ships if they were to be run along political patronage lines.

"I have never written a letter to nor asked a question of Mr. D. B. Hanna or any official of the Canadian Government Merchant Marine as to what route a ship will ply upon," declared Mr. Ballantyne. "I have not asked him how much he has paid for asparagus, or potatoes, or butter, or coal. The government have something to do besides dipping into the petty details of management. Therefore, we say to Mr. Hanna and those who are managing the ships: All that we want you to do is to manage the ships to the very best of your ability; all that parliament and the government and the country are looking for is that at the end of the year, if that be at all possible, the figures shall be on the right side."

There may be honest doubts as to the advisability of government ownership of railways, or as to the wisdom of the government going into the shipping business on the wholesale scope proposed by Mr. Ballantyne, but it would seem to be the common-sense method, even if not strictly constitutional, to divorce the systems from the daily interference of every member of parliament.

PRINCE ALBERT FIRE UNDERWRITERS

At the annual meeting of the Prince Albert, Sask., committee of the Western Canada Fire Underwriters' Association recently, the following officers were elected: President, A. I. Wilkinson, re-elected; vice-president, P. W. Mahon; executive, E. T. Bagshaw, J. S. Fowlie and Frank Kisbey.