

Waste of capital was committed by the management in other forms than that of the blunder as to route. English practice adhered to its routine by contracting for the construction of the road as for a coat completed to order. Economy should have suggested that Messrs. Peto, Brassey, & Betts be confined to the taking out of the centre of the cuts, leaving the slopes to be removed by the Company; and should have suggested, further, that those gentlemen be limited at swamp-crossings and such places to the laying of a temporary track on "corduroy" or trestling, leaving the ultimate road-bed for construction in the permanence of embankment by the Company. This course would not only have saved interest on capital which lay unproductive for a long time, by opening the line two or three years in advance for traffic; but would have effected a still further economy by giving additional employment during the development of business to the Company's half idle track and rolling stock. But an experience incapable of modification to the expediciencies of the case, pursued a routine that, incurring from one year's to three years' interest on millions of expenditure, and adding to the necessary cost of the earthwork so much as perhaps even 20 per cent., may be traced to-day in the volume of the Company's balance-sheet.

On the direct route between Montreal and Toronto the road would have *commanded* for a distance of 300 miles, way-business from both sides of its track. The area of the local traffic—evidently the only source of income on which it could have counted with confidence—would have expanded in that case into the interior to the greatest possible extent, beyond all danger on either hand of future loss by competition.—A body of producers separated from a railway by a waggon-haulage of 30 miles is much more likely than one separated from it by a waggon-haulage of but 15 miles, to bring that line into competition, or having brought it, to stray off to its rival.—Ideas formed in a practice not at all adapted to this great and new Continent determined, however, that the line should follow the lake, and in doing so not only exposed it to an ultimate reduction of tributary surface by rivalry on the north, but gave it from the outset a reduced area of local traffic subject to competition for six months of the year with a free navi-

gation. And thus has the management become responsible for aggravating its waste of capital, by a contraction and an embarrassment of its more profitable business.

The experience that decided on the route disregarded economy of length when it settled on a total abandonment of the direct line. It did so to a further extent when it laid down its track in general conformity with the meanderings of the Lake-shore. Adding to these items of loss caused by a management governed by an inapplicable training, the further lengths of route incurred unnecessarily in the windings between Toronto and Sarnia, the whole sums up to the waste of income and crippling of grasp represented by an excess of distance to the extent of about 20 miles! Conceived though the Grand Trunk was in a design for delivering American freights on board British bottoms, the agents of that design did not stop at its embarrassment by that blunder between Sarnia and Montreal; but put the *coup de grace* to that evidence of unfitness for their work by the further blunder of embarrassing the road's intercourse with the sea for six months in the year, by a *detour* on the route between Montreal and Portland, to an extent which gives an aggregate of wanton excess of transportation, equal to a prohibition on freights in favour of rival lines, at the rate of at least a dollar and a-quarter per ton!

The railway reached Sarnia with its objects placed, by waste of capital and waste of distance, under serious difficulties. At that point, however, if it were wise to have adhered to its original purpose, the duty of the management demanded the encouragement by its moral support of a direct extension, giving it the shortest possible connection with the granary of the West, Chicago.* It left that connection open to be occupied, as it has been since, by the rival which has entered into the enjoyment of the "Air Line," that discharges upon the Canada Southern at St. Clair. Full, however, of stiff experience, full of a spirit of competition which does not hesitate to grasp at what it cannot hold, the Company decided that its best way to Chicago lay in encouraging first and leasing afterwards, the line which, by giving it a

* This very measure was urged upon the Company at the time in a full and formal statement protesting against the extension to Detroit—a statement made to the chairman by the Hon. Malcolm Cameron, M.P.