

THE PROPOSED RAILWAY FROM MONCTON TO WINNIPEG.

One of the ablest, as also one of the oldest of Canadian politicians, predicted that there would be several governments overthrown in the work of establishing a permanent railway policy for Canada, and others seriously disturbed. That was said before the Canadian Pacific was organized. Two governments met their fate as predicted, and the present one is fulfilling the forecast, as the resignation of the Hon. Mr. Blair is disturbing its peace, owing wholly to his disapproval of the railway policy of the cabinet.

The government has, practically, decided to construct a railway from Moncton, N.B., to Quebec, independently of any existing line. The proposal is to lease this railway to the Grand Trunk Pacific Company for fifty years, for the first 5 years of which term no rental will be charged; for the second 5 years the Government will be entitled to the net surplus of receipts over expenses, but it is not to be expected that there will be much net surplus. For the remaining 40 years the railway company will be required to pay the Government 3 per cent. on the cost of construction. Whether this means original construction, or total cost up to date, has not been explained. In addition to this arrangement the Government will guarantee the bonds of the Grand Trunk Pacific Company which will be issued in order to raise capital for building the line from Winnipeg to the Pacific Coast. Until the scheme is formally laid before Parliament it is not certain what will be the extent of the Government's obligation under this guarantee. But the probability is that it will amount to 75 per cent. of the cost of constructing the section from Winnipeg to the Pacific, which will range from \$13,000 per mile for the "prairie" portion up to \$30,000 per mile for the "mountain" part, which latter section is estimated to extend 500 miles.

If a good map is examined, such as the Department of Railways published in 1900, it will be seen that the proposed line is, to a great extent, a duplication of existing lines. If built, as proposed, from Moncton to Quebec, the railway will run parallel to the Intercolonial for the entire course, and within a very short distance of the Canadian Pacific for some miles. From Quebec the road is to make, as far as possible, a "bee line" to Winnipeg, leaving this city, probably, 100 miles to the south, Ottawa still more distant, and all the settled portion of Ontario from 200 to 350 miles away. On striking the Lake Superior region it will run between the Albany river and the Canadian Pacific, of which line it will be practically parallel for several hundred miles.

From Quebec to Winnipeg the proposed line would run for close upon 1,000 miles through a district in which there is not a single town, and little prospect of any settlements, as, until the farm lands of Manitoba, Assiniboia, Saskatchewan and Alberta are settled, it

is most unlikely that the far less fertile lands through which the proposed line is projected to run would have any attraction to settlers. The climatic conditions for the main portion of the route would be found an obstacle, as the road would pass along the northern slope dipping northwards from the height of land towards the Hudson's Bay.

It would seem, therefore, that the promoters of the Grand Trunk Pacific Railway had the best of the bargain. They will have a road from Moncton to Winnipeg built for them to get all they can out of the traffic for 10 years, without any obligation to shareholders, or bondholders, or, practically, to the Government, and then, for 40 years, they will have that road under lease at a rental of only 3 per cent. on its cost. The obligation to pay the Government in the second term of 5 years what surplus there is of earnings over expenses will not enrich the national revenue, as railway experts consider it is highly improbable that the line from Quebec to Winnipeg will pay expenses at any time during the 50 years it is leased, certainly not during the first 10 years.

Transportation experts, grain shippers, forwarders, and others directly engaged in the business of moving wheat from the Northwest to the ocean, are a unit in affirming that such a line as is projected will not divert grain from the present course via lakes and canals. Railways cannot carry such freight as cheaply as vessels. The wheat delivered at this port for shipment to Europe comes almost wholly via the Lachine canal and river. In 1894, for instance, the wheat received at this port via railways was 51,031 bushels and by canals, 4,390,481 bushels, the railways only brought little over 1 per cent. of the total. Since then the railways have made great raids on the canals in this class of freight. But, it is well understood that no railway can maintain itself out of earnings on grain freight, as the Winnipeg-Moncton line would have to do. The line would be without passenger traffic, and for local freight of short hauls there could be none on a line passing through what is practically a wilderness of rock, pine forests, lakes, and the least fertile of lands, being chiefly hard clay.

Why the Government should parallel the Intercolonial, is a question that is puzzling the country. It has led to the resignation of the Hon. Mr. Blair, who had done so much, and so ably, to put the Intercolonial on a good financial basis. The whole scheme of the Moncton-Winnipeg-Pacific Railway is at present full of mystery, which may be cleared up by the coming debates in Parliament.

In considering the effect of the proposed new line to Moncton it must be remembered that \$22,000,000 has been expended by Canada on improvements to the Intercolonial, and that the Drummond County Railway was purchased as an extension of the line at a cost of \$1,600,000. Besides these capital outlays there is an annual payment due to the Grand Trunk Railway of \$140,000 for running rights and privileges of Victoria Bridge and Montreal terminus.