RAILWAY POSITION, GRAND TRUNK'S VIEW

Mr. E. J. Chamberlin Issues Statement in Reply to Findings of Majority Report

"It is not possible in a letter to the press to deal exhaustively with all the points raised by the majority report of the royal commission. I feel, however, it is imperative to at once correct some of the conclusions arrived at with regard to the financial and physical condition of the Grand Trunk Railway," states Mr. E. J. Chamberlin, president of the Grand Trunk Railway, in a statement dealing with the majority report of Sir Henry Drayton and Mr. Acworth.

"Turning to the table given in the commissioners' report of average earnings per mile of all railways in Canada as $6,997, and the earnings of the six principal systems in Canada, it is argued that the table shows 'the Grand Trunk Railway of Canada to have made the largest average gross earnings per mile of line of any of the principal lines in Canada, of 157.5 per cent. of the average rate for all lines.'

"Tables are given of the number of 'revenue tons carried one mile' in 1916, in comparison with the average of all the railways of the United States, which includes the heavy ton mile movements of the coal roads, as follows:—

"Number of revenue tons carried one mile per mile of road:—

"Grand Trunk Railway of Canada, 1,155,872; Grand Trunk Railway system, 1,270,174; United States railways, 1,176,923.

Statement of Equipment.

"Dealing in a detailed table with respect to equipment, in comparison with various other roads, the figures for which have been taken from Railway Equipment Register for May, 1917, it is declared:—

"A study of the above tables discloses that the Grand Trunk Railway owns more passenger and freight car equipment, and also more locomotive equipment per mile of road, than any railway in Canada, except the Michigan Central, and compares more than favorably with the most conservative and successfully managed railways in the United States having a traffic similar to that of the Grand Trunk."

The statement of the Grand Trunk president goes on:—

Severe Month Chosen.

"On pages 34 and 35 the report has selected for an example of the efficiency of the Grand Trunk the month of February, 1917, which is well known to have been, as regards weather, one of the most severe in the history of Canada, but has failed to mention the extraordinary congested conditions of the connections of the Grand Trunk at the different frontier points, a congestion quite beyond the power of the company to control, and which congestion, reacting upon the Grand Trunk, made it impossible to keep its large terminals clear of cars held for delivery to other railways.

"Nor does the report mention the results of the Grand Trunk from 1912 to 1917, inclusive, in the total number of carloads moved annually."

Figures of the movement of cars moved in each of the years referred to are then given, showing that from January 1 to December 31, in the year 1912, the number of cars moved —loaded—was 5,180,742, and in 1916, 5,793,759. The first four months of 1917 are dealt with in detail.

Without Real Understanding.

The statement deals with various other phases of the efficiency equipment and financing of the company, and in conclusion it sets forth:—

"The foregoing statistics and explanatory remarks which I have given cover only a portion of the improvements which the Grand Trunk Railway system has carried out in the past five years for the benefit of the people of Canada, but I am sure I have said enough to convince all fair-minded people that the report as to the financial and physical position of the Grand Trunk Railway was made without a real understanding of the situation.

"In conclusion, I would call attention to the fact that the majority commissioners, as far as the Grand Trunk is concerned, barely make mention of the severity of the past winter, of the decreases and deficiency of labor and supplies, and of all the difficulties which the management has had to face owing to the conditions brought about by this terrible war."

WESTERN CONDITIONS AND PROSPERITY

High Prices for Food Products Benefit Westerners—Stupid Disabilities Imposed on Loaning Institutions

Western Canada has enjoyed a reasonable share of "war prosperity," which has arisen from the high price of food products rather than from any considerable degree of manufacturing for war purposes, said Mr. A. L. Crossin, retiring president of the Winnipeg board of trade. The high prices of all kinds of grain and live stock, he said, ensure the prosperity of the farmer. Much of the proceeds of the record crop of the year 1915 was absorbed in the payment of the farmer's obligations accruing out of previous less satisfactory crops. Last year's crop meant spending money for the farmer. Thousands of farmers are now enjoying financial independence. Their mortgage and other indebtedness has been substantially reduced and their obligations are well in hand. All classes of trade have been stimulated. Collections are uniformly good. Jobbers are only limited in their shipments by the scarcity of goods to supply orders. Old stocks have been disposed of to advantage. Within well defined limits prosperity is general. Central and southern Manitoba and south-eastern Saskatchewan unhappily do not share in this good fortune, owing to the almost complete failure of the grain crop from heat and rust.

Land Market Depressed.

Dealers in farm lands must necessarily find sales rather slow. Immigration has been negligible. Labor is scarce and dear. Farmers have ceased to regard the purchase of additional land as good speculation and are not disposed to add to their present holdings. Mortgage companies and embarrassed farmers do not readily secure purchasers. For these reasons the anomaly is observed of prosperous agriculture and a rather depressed farm lands market. There is a more healthy sentiment than was observable a year ago in our cities and towns, whose vacant dwelling houses are slowly filling up. The municipal systems of these communities were designed to provide for a growing population. The overhead expenses still press heavily upon the communities whose population has been depleted through enlistments and the loss of mechanics connected with the building trades. It is gratifying to know that recovery from speculative disorders is proceeding satisfactorily.

Farmers Under Handicaps.

Despite the high prices for all products of the farm, it must be recognized that the farmer is working under some serious handicaps. Thousands of young men have gone off the farms to join the colors. Labor is scarce, dear and frequently inefficient. The grain production for the season 1916 under these disabilities and the rather unfavorable ripening season is a tribute to the quality of our soil and the general excellence of our farming.

Financial Conditions.

Statistics of imports and exports, of bank clearings, of railroad earnings, all disclose improved financial conditions throughout Canada during the past year and continuing on into the present year. To the heavy carry-over of the previous year's grain crop may be attributed part of this gratifying showing. War orders and high prices of food products have contributed, as has already been pointed out. Closer attention to economic laws and saner financial methods have played their part in this improvement. It cannot be doubted that many whose income and expenditure did not balance two or three years ago have now brought these accounts into agreement. Collections are more satisfactory than at any time since the outbreak of war. On the other hand, bankers and lending companies find little demand for money, and interest would tend to lower rates were it not for the stupid disabilities imposed by the legislatures on lenders. Only the most urgent new constructive work is being undertaken, and, if for no other reason, the paramount duty of devoting all our resources to the prosecution of the war requires the postponement of all but absolutely unavoidable capital outlay.

The British America Assurance Company has been licensed to transact inland transportation insurance in addition to its present business of fire and hail insurance.