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Special Articles

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By H. M. P. Eckardt.

A League of Nations,

By J. W. Macmillan.

The Wealth of Nations,

By W. W. Swanson, Ph.D.

Conditions in the West,

By E. Cora Hind.

Banking and Business Affairs in the U. S.,

By Elmer H. Youngman.

Britain's Wool Supply Under Control,

By E. S. Bates.

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Railway Nationalization

THE commissioners appointed by the Government to inquire into the Dominion's railway difficulties have made their report, and we are probably no nearer a solution of the problem than we were before they began their investigation. The gentlemen chosen for the duty were apparently well qualified for it. Sir Henry Drayton has done good service as chairman of the Railway Commission of Canada, the body which has a general supervision of the business of the company roads. Mr. W. M. Aeworth, although not a railway manager, is an eminent English writer on railway subjects and has on several occasions been recognized by the British Government as an authority on such questions. Mr. A. H. Smith is the manager of one of the most important railways in the United States. Perhaps if the three commissioners had been able to agree their report would have had great weight with the public. Unfortunately they have disagreed on the most important points of the question.

Mr. Smith, adhering to the principle of company railways, advises that the Government grant aid to the Grand Trunk Pacific and the Canadian Northern for a further period, believing that before long these lines will become self-sustaining. Messrs Drayton and Aeworth recommend, subject to a condition to be mentioned presently, that the Dominion Government acquire the Grand Trunk, Grand Trunk Pacific and Canadian Northern roads and unite them with the Transcontinental, the Intercolonial and Prince Edward Island Railways, making one large national system, including all the important lines except the Canadian Pacific, the latter to remain an independent company line. So far, this contemplates a very large measure of the "Nationalization" of Canada's railways which for several years has been advocated by many people and by some influential journals. But the two commissioners attach to this recommendation a condition which they regard as vital, and which may in practice not be found easy of achievement. They advise that the management of the Nationalized railways be not left in the hands of the Government, but, that, with a view to the elimination of all political influence or interference, the roads be placed in the hands of an independent board of trustees composed of five members, to be appointed at the beginning by Parliament, and to become self-perpetuating, that is, that when vacancies occur they shall be filled by the survivors on the board. Whether a board so appointed could manage the railways to the satisfaction of the public, as the two commissioners expect, is one of the problems that require most serious consideration.

The demand for Nationalization of railways is a demand that they shall be brought under the people's control. "Since the people must

in the end pay for the railways, why should not the people own and control them, instead of leaving them in the hands of selfish corporations." So runs the argument for Nationalization. Messrs. Drayton and Aeworth, apparently, shrink from giving the people real control, and so propose to set up a somewhat irresponsible board. But if such a board fail to give satisfaction to the public, if the demands the public are so prone to make respecting traffic rates, train accommodation, etc., are not met by the board, how long will such a system be allowed to stand? The people, as the owners of the people's railway, will not long allow the control to remain in the hands of men who, however eminent they may be in the minds of a select few, proclaim their intention to manage the property as they think best.

It must be remembered that the politicians, whose evil influence is dreaded, are the representatives of the people. Is it not inevitable that the Nationalization of railways means their management by the people, through their agents, the politicians? Can any system which puts such Government-owned works in the hands of an irresponsible body be successful in a democratic country?

In view of the many troubles that have arisen from the Dominion's dealings with some of the railway companies, it is not surprising that many people look with favorable eyes on Nationalization. In considering the subject it is not well to ignore the difficulties that may arise from such a system in a democratic country. Autoeracy is better able to handle such a system, for in that case there is nobody to interfere. In a democracy everybody has a right to interfere and too many are ready to claim and exercise the right.

The success that has attended the work of the Canadian Railway Commission has led many people to hold that a commission similarly constituted could manage a great national railway system. This argument, however, overlooks the important fact that the Railway Commission is almost wholly a body of a judicial character. It is not called upon to do executive work. Its business is to hear the matters brought before it and to give judgment, just as a court does. This is a function quite different from the work of constructing a railway or handling the multifarious matters that arise from day to day in the operation of a railway. The public are disposed to accept the decisions of the Railway Commission as they do the judgments of the courts. They certainly would not be so ready to accept without question the action of any board undertaking the operating management of a Government railway. A system which will bring the railways under the people's control and at the same time keep those who represent the people—that is, the politicians—entirely away from it, is not easily devised. If Nationalization is found to be desirable, we shall have to take