

warehouses, their commercial firms; they build up their own freight, when the public do not give them enough; they have to defend themselves against such cut-throat schemes as are organised against them, or to organise some such themselves. How can you expect a Government to become a trader, ship owner, manufacturer, miller, stock-jobber, bull or bear on the money market, destroyer, if need be, and an implacable rival of the people under their jurisdiction? It would give rise to ceaseless accusations of favoritism or injustice. Should their tariff be regulated by those of other companies a cry of monopoly would follow; if they reduced them it would become a disloyal competition. Were they fixed permanently, the trade so delicately influenced by the supply and demand, by over-production or scarcity, would not really find its proper level. At times they would be too high, at others too low. In a word, you would have destroyed what is the greatest strength of a nation—the individual initiative; you would have subordinated the intelligence of the business man, so quick and so flexible, to the theories of the political man, groping among experiments on economy, without knowing the value of audacity and a spirit of enterprise, which, for individuals, are worth dollars and cents. Traffic would be guided according to local instead of commercial views; no force in the world can counterbalance political laws, which are the same everywhere; therefore, English ideas do not favor the working of a railway by the Government. The Intercolonial is an exception imposed upon us by circumstances. But such a state of things cannot exist as far as the Canadian Pacific is concerned, this line being necessarily always fighting and competing with others for existence.

At the time of the enquiry made by the English Parliament in Great Britain, in 1867, on the opportunity for the acquisition of the railways by the State, public opinion was unanimously against the scheme, and in quoting a few sentences of the report resuming the evidence, I establish, without any doubt, the theory I am now trying to develop. This report is found in the 38th and 39th volumes of the Sessional Papers of the House of Commons of 1867. We read:

"We have next to consider, if the State owned the railways, if it would be able to improve the system of management. None of the witnesses have recommended direct management by Government officers, but in the opinion of some, great advantage would be derived from the adoption of a plan of leasing the railways in groups." Pap. xxxv., Report 1867, vol. 38, p. 12.

"The practical result of any scheme for the national purchase and leasing of railways would be merely to substitute the lesser sense of