

Canadian Railway and Marine World

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The Canadian Pacific Railway's President's Speech at Winnipeg.

During his recent trip of inspection over the C.P.R., to the Pacific coast, the President, E. W. Beatty, K.C., was entertained at luncheon by the Canadian Club at Winnipeg, and made the following remarks:—"Since I had the pleasure of visiting western Canada in May last, a very important change in the transportation situation has taken place, through the sudden consummation of a plan for the acquisition of the Grand Trunk and Grand Trunk Pacific Railways with a view to their incorporation into the Canadian National Railways System. In due course, when the legal and other formalities have been fulfilled, this consolidation will take place and the test of the possibility of successful administration of a vast system of railway under the aegis of the government will be made. It is probably the most ambitious and comprehensive task which any government or any people has taken upon themselves, except temporarily and in emergent necessity. It may be a test over a period of years and the results may be expensive, but under honest management, with independent and nonpolitical administration, and above all with accurate information supplied to the public as to the result of these operations, the people of this country will be able to determine for themselves whether that system is the best and if not what improvement should be made in it. I make no comment on the wisdom or otherwise of this further extension of government ownership of railways in Canada. The matter has been settled by the representatives of the people. I am sorry, however, that a little more time and information were not given, both to the people themselves and their parliamentary representatives, because I would have been better satisfied that the decision then represented the view and desire of the vast majority of the people of this country, especially of the business communities, which have a particular stake in the railway situation and a particular knowledge of what constitutes efficient railway service. The decision has been taken, however, and the consolidated system will be administered by a board selected by the government, with experienced railway operators and executives in immediate charge of the property, with parliament, as is inevitable, in full control of the financial support to be given, and the government of the day with full responsibility for the expenditures of the monies voted for such purposes. The result of this means that the railway situation in Canada is now completely changed, and the country must depend, for some time at least, for additional railway facilities, where needed, upon the Canadian National Rys. or the C.P.R., because with preponderating mileage under government control, it is not likely that much capital will be attracted to new railway enterprise for the rewards which such investments might bring. Therefore, I think it may be fairly stated that such additional construction as takes place within the next few years

will depend upon the willingness of the Canadian National Railways and the C.P.R. to appreciate these needs and their financial ability to meet them. This is a situation which is without parallel in any place in the world where a government-owned and operated railway and a privately owned and operated railway, not greatly different in the matter of mileage, both with, of course, adequate credit, have in their hands the almost exclusive right to remedy transportation insufficient at most places throughout Canada. It is true, I think, that this will provoke a highly competitive condition. How effective this competition will be will depend upon its honesty and its fairness. If political methods are to be introduced into the competition, and facilities provided in accordance with political expediency, or if political rewards follow the extent of the support or otherwise which is granted by shippers to the Canadian National Rys., then I should say the competition would be unfair, and of doubtful commercial or national value.

"During the course of the year, Canadian railway companies had to meet a great many problems, due to the emergencies which prevailed, which were unusual and of great importance, and which required new methods to secure their being dealt with competently. For that purpose the Canadian Railway War Board was constituted, and through it the efforts of all railways were co-ordinated to meet the extraordinary demands through the movement of war traffic and soldiers. The work was well and efficiently done; was so well done, in fact, that not one hour's demurrage was caused to Atlantic shipping by delays on Canadian railways. I have received a letter recently from Sir Joseph Maclay, British Minister of Shipping, in which he points to this fact as a conspicuous example of the effective way in which the work of the Canadian railways was performed. Since the war, there has been constituted the Railway Association of Canada, whose executive comprises the presidents of the principal railways in Canada, and in the organization of which is contained various committees, from the operating, financial and traffic officers of the companies, who are constituted to act jointly, when joint action would be in furtherance of the traffic necessities of the people or of the railways. Mr. Hanna and I sit on the executive committee, and I am very hopeful that with the experience he there gains, he will be confirmed in his original decision to be a railway man and not a politician.

"I have known Mr. Hanna for a great many years, and my appreciation of his personal qualities, and official ability as disclosed in the numerous exacting and difficult positions he has been called upon to fill, is very great. The fact that he was trained in his earlier years in the C.P.R. service and has always, both personally and officially, retained a very sincere affection for his former company

has not detracted from my appreciation of him.

[Editor's note.—Mr. Beatty's reference to Mr. Hanna having been in the C.P.R. service was evidently made under a misapprehension, and probably arose from the fact that Mr. Hanna was from 1886 to 1896 in the Manitoba & North Western Ry.'s service, but he left that company before its property was taken over by the C.P.R., on a lease for 999 years, from July 1, 1900.]

"Mr. Hanna and I have a great many problems in common, and others which are individual, because peculiar to the different systems of railway operation, in which we are respectively involved. Occasionally it may be necessary in public utterances for us to refer to each other, or the interests which we represent, but I recognize that these references will be few and far between, because I can imagine nothing of much less public interest or public importance than my opinion of the Canadian National Railways and Mr. Hanna, unless it is Mr. Hanna's opinion of the C.P.R. and myself. Mr. Hanna rather departed from the rule a few weeks ago in Toronto, and with his characteristic Scotch pawky humor, whatever that means, said that the trouble with me was that I did not believe in public ownership, but that I would hope for its success, and that notwithstanding the fact that the C.P.R. had occupied a very unique and strong position within the empire, in a few months time it would be number two instead of number one, and that was where the shoe was pinching. As I say, Mr. Hanna intended this to be a humorous remark, but Scotch humor is sometimes hard to understand, and his audience, a most intelligent Toronto audience, misunderstood him, and applauded his prophecy of the advent of another railway system, bigger and better than the Canadian Pacific. I imagine that Mr. Hanna and I could sit down today and discuss with the utmost candor the general railway situation. Incidentally to that we could, I think, agree without much discussion as to which was number one and which was number two. I say this without any hesitation or reservation, because I know what a wise and experienced man Mr. Hanna is. I can say with equal confidence, I think, that five years from now Mr. Hanna and I could discuss the question with equal frankness, and agree between ourselves as to which was then number one and which was number two. Of course, it would be the same railway, but as I have said, Mr. Hanna is a very wise man. Five years hence he may even be wiser than he is now, but that would not be necessary to enable him to reach a correct conclusion.

"Mr. Hanna has recently adopted the role of prophet for the Canadian National Rys. He is a cheerful prophet, and he paints a glowing picture of the future of the properties under his charge. This is as it should be, and he is wise in making it as attractive as possible. He has recently taken his