

are concerned, when that situation begins to creep in, we will not creep out, but we will jump out. I am glad to be able to say that after 5 months experience with the present government we have no interference of any kind; on the other hand, it has been most liberal in its approval of moneys required for capital expenditure, and for the general betterment of the government's property.

"There is no serious trick in the operation of railways; the question of large mileage, large revenues, does not so much matter; after all it is organization. I know that on the Intercolonial, the National Transcontinental, the Canadian Northern, and on the Grand Trunk, there are men equal to the best. Their ability is not in question; their loyalty is beyond any doubt; and if governed by a proper board of management it cannot be anything else but a success. It all depends on you, and others, to see to it that the organization is not interfered with, and that the board will be permitted to carry on what they conceive to be proper and in the interest of the Dominion as a whole, not in the interest of any individual part of it.

"In addition to the railways, the Canadian National Rys. are in the steamship business. At present we are operating 23 steamships, doing business to the West Indies, South America, Cuba; across to London, Glasgow and Liverpool. We contemplate another service to the Mediterranean, and have just commenced a service from the Pacific coast to Australia. A year from now we will have over 60 ships, and we will have the largest, by long odds, floating fleet flying the Canadian flag. There will be over 300,000 tons floating, a year from now, in the transport of freight. The principal thing we are concerned about is this, the trade of Canada must be developed, there must be new avenues for its output, and our business is to come in contact with chambers of commerce, boards of trade and manufacturing associations, so that we may know along what channels they are developing their business, and the points they desire to reach. We are not in the benevolent business, by any means. We are not doing something for nothing, that would be strictly against my nationality. We do expect that for every dollar we spend, we will at least get, not only a dollar back, but enough to pay fixed charges for the ships that are operating in the business. In addition to the freight ships we will have passenger ships. We must be properly equipped, and as a national system we must be in a position to not only carry on our business in every province of the Dominion, but we must be able to see to it that on the Pacific coast and north Atlantic we can carry the products of our allies, or of our enemies if need be. We must have a complete system and the only way we can complete it is by having ships going in every direction, carrying freight, and in time to come, passenger ships.

"I have not been talking about what it costs to do these things, so I will tell you something about that 'The laborer is worthy of his hire.' I have often quoted that in my own family, because sometimes I think some get more than they ought without working very much for it. Due to conditions over which we had no control, the Canadian National Rys. system began operations under a cloud, as it were, because we were only in operation for some two months when a gentleman named McAdoo loomed on

the horizon. I am not going to say a word about the rates of wages for which he was responsible. I am a believer in the doctrine that the laborer is worthy of his hire, I am a believer in paying good wages, because I think by doing that we get better service and a better class of employees. However, if we do pay good wages, if we have to pay excess amounts for our coal, and other materials which enter into the operation of a railway, but do not get enough revenue to meet those bills, what is the answer? 'Lift the freight rates.' The other day the wheat board raised the price of wheat 50c a bushel over night. There is not one industry represented here, but, if it finds the cost of operation is so much greater than it was before, will increase the price to the consumer, and I do not blame them, as it is the proper thing to do. What about the railway companies? The fact is that the revenue per ton mile is actually less today than it was in 1907, while wages have gone up in that time, 142%. Now, I submit to you, there is a question for us all to face. Would you rather pay the deficit in taxes, or would you rather make the man who gets the use of the railway pay the bill? It is a simple question, and the answer is very simple, too. There is no country in the world, as far as I know, that has lower freight rates, not even excepting the U.S., than you have here in Canada.

"Sometimes great truths can be brought home to people by homely illustrations. Here is a cigar; say it cost 10c; yet Canadian railways are compelled to haul a ton of freight 12½ miles to earn enough to buy such a cigar. Your chairman, Mr. McDonald, may make a complaint to his railway agent that he is not getting freight in as promptly, or that freight is not going out as promptly, as he would like, and the agent, as a good agent, being enquiries to find out what is the trouble, and he writes a reply on the typewriter, puts it in an envelope and places a postage stamp on the letter, which costs 2c. The Grand Trunk has to haul a ton of freight almost 3 miles to earn the 2c which it cost to put that stamp on the envelope. It is such illustrations that bring home to us exactly what is being done in this country by the railways; yet every time the question of an increase in rates arises, chambers of commerce, boards of trade, and institutions of one kind or another are on their toes, and I do not blame them. The facts must be placed before them, and the fact is that this year the Canadian National Rys. have a payroll of \$21,000,000 greater than it was last year, due to the increase in wages paid to our employees. I am not questioning that, I am glad to see it, I like to see proper wages paid and have stood for that all my life and am too old now to change. I say to you, as I have said to other boards of trade, there must be equilibrium between expenses and receipts, and so the question is bound to come up at a later period. We may not be so jovial as we are tonight when that time comes. Let me say further that the total increases of wages paid by all the railway companies in Canada amounted to \$77,000,000 last year, nearly \$10 per head of the whole population of Canada. Other costs have gone up in proportion. To me, there is nothing so heartrending as to find, month after month, after the work of our organization in regard to the hauling of freight, that when the bills are paid we

are worse off than nothing at the end of the month. Figures in red ink have a very distressing effect on me; and I am hopeful, as I go from place to place and preach the doctrine of national railways, and let all the people know what they have, that they will at least do one thing; and that is, they will remember they have a railway and it is their duty to support it.

"There are many other features about the Canadian National Rys. that I would like to tell you about, but there is not time, this is a social night and we are going to have some more music. I want to say this about Canada as a whole, it is a great subject to me, I have been away in Sydney, Nova Scotia, and in Sidney on the British Columbia coast, I have been identified with railways in this country since 1882; I have seen so much change, and so many developments, that I feel extremely confident that this country is a real promised land, it is a country of great potentialities, and it is up to us, particularly of the younger generation coming along, to see to it that we develop it along proper lines; not only along material lines, but along spiritual lines. If we keep that ideal before us, we may be very sure that wherever we may go outside of Canada, we will be able to hear things spoken well of us.

"The management of the Canadian National Rys. is a very serious thing. There will be some changes when the Grand Trunk comes under the control of the national lines. I do not know what the government's views are in that regard; I do not think it has any views about it; I do not mean that in a humorous way. I mean it probably has other things to attend to; but it is going to have the biggest thing in Canada very shortly, to think about—bigger than the government itself. I do not know what the government proposes to do, whether the Canadian National Rys. will be operated by a board of directors, or by a board of management, or by a commission, or who is going to be in control. Personally, it will be my pleasure to render assistance to any one who may succeed me. I have no expectation that I shall be the head of that organization, I do not expect it. Whoever it is, I shall be glad to render him every assistance possible, because I have unlimited faith in this country of ours. I know that Canada can be developed. I am optimist always, I do not think there is room in this country for a pessimist, if there is, he ought to be railroaded out of the Dominion. Believing what I do of Canada, having seen what it has already done; just as sure as I stand here, the railways are just as important as the nation itself, and the development of one will mean the development of the other; and what you are doing here in your own city, what others are doing elsewhere, is contributing towards the time when that great railway property, the Canadian National Rys., will be considered one of Canada's most valuable assets."

**Railway Lands Patented**—Letters patent were issued during Dec., 1919, for Dominion railway lands in Manitoba, Saskatchewan, Alberta and British Columbia, as follows,—

	Acres.
Alberta and Great Waterways Ry.....	8.04
Canadian Northern Ry.....	962.00
Canadian Pacific Ry. roadbed and station grounds .....	72.46
<b>Total .....</b>	<b>1,042.50</b>