

"arrangements which handicap the District with higher charges than would otherwise be levied on the people. That necessarily results because the two lines together have expended double the Capital which economic working needed for that area, and they are driven to secretly unite to pay interest to their shareholders on that combined capital which cements their interests together."

*Had that clause been acted upon, how many millions of dollars could have been saved by using "running powers" over the C. T. P. and C. P. Railways where the C. N. R. now runs parallel to them.—M. B. C.*

42. "From personal investigations in both England and the United States, I can testify that Pooling of traffic and sharing of profits to avoid competition are becoming universal on all Railways, as I have the actual basis of many such apportionments."

### **GOVERNMENT SHOULD DECIDE WHICH VALLEYS SHOULD HAVE RAILWAYS.**

43. "The leading Statesmen in Britain and Europe now recognize the folly of allowing waste expenditure in duplicate railways which inevitably keep up the cost of transportation, because there is two or more times the desirable capital outlay to pay upon when duplicate lines are allowed too near each other, as will be the case if both the V. V. & E. and the C. P. R. run up the Similkameen Valley, when better results could be derived for all concerned by inducing the C. P. R. to go by Fairview, Penticton and Douglas Lake to Nicola. Though two Railways may have to come through the Yellowstone Pass, both should not be allowed to come down the Fraser, but one should be compelled to come down the North Thompson."

*NOTE—The then Government should have heeded that warning, and thus save the duplication of 350 miles on the C. N. P. Ry. That would have saved about \$15,750,000 in Capital Outlay, and \$647,500 per year to B. C. people have now to pay for Interest.—M. B. C.*

44. "The principle of the Gladstone Clause is the only effective remedy after once the wasteful expenditure of duplication has been made. The point to realize is the foolishness of the public conception that duplicate Railways down a valley will bring lower rates—in actual working they operate to tax the people under modern conditions of conference and financial combinations."

### **SUBSIDIES.**

45. "Subsidies should not be granted on a mere mileage basis, but in proportion to the public utility of the short-cut tunnels, bridges and other costly works undertaken for the development of the Province."