

The Canadian Pacific Railway's Relations with Austria.

The statement made recently that C.P.R. observation cars were being used as hospital cars by the enemy in Austria, brings to mind the part played by the C. P. R. before the war, and which, looking at it in the light of later events, may be considered almost as skirmishing tactics preliminary to the declaration of war. For a number of years steamship traffic to and from the European continent, was practically controlled by the Germans, and this control was specially marked in the case of American tourist traffic to the German and Austrian baths and mountains. Almost the whole of the American traffic to the Austrian Tyrol passed through German hands to the detriment of the Austrians, and the Austrian State Railways suffered. In order to remedy this state of affairs, the Austrian Government entered into contracts with the C.P.R., first for the supply and operation of a number of specially constructed observation cars on the more picturesque sections of the State Railways through the Austrian Alps, and by arrangement with the Swiss Government, to Zurich. A special car was designed, following on the design adopted in this country, but modified in certain particulars to suit the requirements of continental railway operation, and several were built, to plans prepared by the C.P.R., at the Nesseldorf works in Austria. The arrangements for this were made by H. H. Vaughan, then Assistant to the Vice President, C.P.R., who visited Austria for the purpose. The service was first operated during the summer of 1912, between Zurich and Innsbruck, Vienna and Innsbruck, and Salzburg and Trieste, under the supervision of G. McL. Brown, European Manager, C.P.R., London, Eng.

It was felt later that Austria was not getting its fair share of the continental traffic going from America, owing to the alleged Hamburg - American Steamship Co.'s control of the North Atlantic Conference, which allocated certain percentages of the traffic to certain companies, and consequently to certain ports. The Austrian Government then arranged with the C.P.R. for the inauguration of a steamship service between Canada and Trieste, with a call at Naples, Italy. This service was commenced in March, 1913, the C.P.R. steamships Lake Champlain and Lake Erie being used, and renamed Ruthenia and Tyrolia. On the inauguration of the new service, it was announced from Berlin that the North Atlantic Conference would oppose it by placing a competitive service on the same route, and the Austro-Americana Line was formed to run between Canada and Trieste, calling at Patras, Greece and other Mediterranean ports.

At a meeting of the North Atlantic Conference, which was attended by G. McL. Brown, European Manager, C.P.R., it was demanded that the C.P.R. surrender its contract with the Austrian Government and pay a default, and naturally this was refused. Later the C.P.R. withdrew from the conference entirely, and as a consequence all agreements for the pooling of continental business came to an end. Immediately following the withdrawal of the C. P. R. from the conference, its Austrian agent was arrested and its Austrian offices were closed. There is not the slightest doubt that these actions were carried out at the instigation of the German authorities, acting through the Hamburg-American Steamship Co., with the intention of driving the C.P.R. out

of the continental business. The C. P. R. agent was subsequently released and certain of the offices opened, the business done being considerably restricted. Action was however maintained against S. Altman, Agent, C.P.R., for breaches of the emigration act, it being alleged that by degrees the country was being depleted of men of military age, and that the C.P.R. agent aided and abetted such men in evading the provisions of the emigration act. On this account the C.P.R. withdrew its steamship service between Canada and Austria, and placed the vessels on another route. G. McL. Brown, European Manager, C.P.R., spent a considerable time on the continent, during the various disputes with the North Atlantic Conference, and only closed up matters shortly before the outbreak of war in Aug. 1914. After war was declared between Great Britain and Austria, which was at a later date than the German break, all C.P.R. property in Austria was seized, and the local staff interned.

The Welland Ship Canal and the War.

The United States Shipping Board is reported to be considering an appeal to the Dominion Government to push to an early completion the construction of the Welland Ship Canal, on the ground that such construction would not only divert the great bulk of the Great Lakes tonnage to the coastwise trade during the winter when lake navigation is closed, but would make possible the utilization of the large shipbuilding facilities on the lakes without the necessity of cutting vessels in two in order to get them to the ocean.

In carrying out its policy of not expending money on large public works not immediately connected with war services, the Dominion Government suspended all work on the construction of the Welland Ship Canal, and dispersed the staffs on May 2 last. At the time, contracts were running for sections 1, 2, 3, and 5, and the work taken as a whole was rather over 50% completed; that on sec. 3, the heaviest on the whole route, not being in so forward a state as on the other sections. The contract called for completion of this section by April 1, 1917, but owing to labor and other difficulties, it was estimated that it was about 12 months behind time. The time for the completion of sec. 5 was fixed for April 1, 1918, so that the completion of all the heavy work on the construction of the canal might have been looked for during 1918, and possibly the completion of the whole of the canal as well, as the balance of the work is of a comparatively light nature. To do this, however, the work would have to be rushed from end to end with a full force of men, and undertaken as a war work of the utmost necessity. There is a large amount of alien labor in Canada, most of which is engaged on work of considerably less importance than this, and which could be transferred with little difficulty. Apart from this, if the work is allowed to stand for any great length of time, there is bound to be a serious deterioration and consequent loss, and even if it were taken up again at once, there would be some difficulty in reassembling plant and staffs, as in some cases, plant, which was of a more or less special character, was sold, or transferred to other points.

No doubt the cessation of the work was ordered in good faith, it never being contemplated that it would be required as a link of very great importance in connection with the carrying of the war to a successful conclusion. The fact, however,

remains that had the canal been complete and ready for service, it would have assumed an importance of such a nature, as a means, not only for the quick transfer of the larger lake vessels to the ocean, but also for the complete and beneficial utilization of the lake shipbuilding yards for the construction of larger and more useful vessels than is now possible there, owing to the delays necessary for the cutting of the larger vessels in two on the lakes and rejoining them on the St. Lawrence.

United States Government Rates for Requisitioned Steamships.

Following are particulars of the rates which the United States Shipping Board is paying for vessels which it has requisitioned for ocean service, under government form time charters:

Cargo Boats and Tankers.	
Over 10,000 tons d.w. capacity,	\$5.75 per d.w. ton.
8,001 to 10,000	6.00
6,001 to 8,000	6.25
4,001 to 6,000	6.50
3,001 to 4,000	6.75
2,500 to 3,000	7.00

Vessels of speed in excess of 11 knots are allowed 50c a ton dead-weight per month for each knot or part of a knot over 11 knots.

For passenger steamships the board adopted a two fold basis of classification, Class A consisting of steamships with a capacity of over 150 passengers, and Class B consisting of steamships with a capacity of from 75 to 150 passengers. Steamships falling in both classes are further classified according to speed. The rates for passenger steamships are as follows:

Class A.	
10 to 11 knots	\$9.00 a ton gross register
12 "	9.50
13 "	10.00
14 "	10.50
15 "	11.00
Over 15 "	11.50
Class B.	
10 to 11 knots	8.00 a ton gross register
12 "	8.50
13 "	9.00
14 "	9.50
15 "	10.00
Over 15 "	10.50

The foregoing rates became operative Oct. 15. The vessels embraced in the requisition, except in so far as actually required for government service, will be left in the hands of the present owners to be operated for government account, but subject at all times to such dispositions as the board may direct. A certain number of the requisitioned vessels which are required for the continuing and exclusive service of the navy and army, will be taken over on a bare ship basis. The rate of hire on this basis has been fixed by the board at \$4.15 per deadweight ton for cargo boats, and \$5.75 per ton gross for passenger steamships of 11 knots speed, with an additional allowance of 50c per ton for each knot in excess of 11 and up to 16. All the foregoing rates are tentative. The board will carefully examine the results of operation under the requisition rates, and from the results, as certified by expert examiners, will determine upon such revision as fair and equitable treatment of the owners of the requisitioned vessels may require. Revisions will be made, if reasons therefore are found to exist, at intervals of not more than 90 days. As to insurance, the government assumes the war risk, and in some instances, the marine risk as well. In cases, in which for any reason, it is more convenient for the government to assume the marine risk, the usual rate for such insurance will be deducted from the charter hire.