

OTTAWA LETTER.

Bell Telephone Monopoly After Greater Things.

The Treadgold Concession Good for Ten to Twenty Millions in the British Market.

A Third Great Railway Power Making Its Presence Felt in Canada—The Visit of Atty-Gen. Pugsley and Hon. Mr. Blair to Premier Murray of Nova Scotia in New York.

OTTAWA, April 18.—For the second time this season Mr. Blair has succeeded in heading off the Intercolonial inquiry. A few weeks ago he induced the public accounts committee to vote down a motion summing Mr. Archibald as a witness. Yesterday he appealed with success to the committee to refuse the order for documents and accounts relating to the purchase of locomotives previous to last year.

Mr. Barker wanted to know about the purchase of locomotives. Mr. Muhlfeld, mechanical superintendent of the Intercolonial, was on the stand and the inquiry as to purchase of engines naturally covered several years.

Mr. Haggart and Mr. Barker want to learn the actual deficit on the Intercolonial for last year. To ascertain this it is necessary to know what the cost of engines and cars required to replace stock worn out. It appears that much of the worn stock was replaced with new stock.

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It came out in yesterday's enquiry that the new engines cannot be run on the Drummond line. The road bed is not equal to the strain. This was very well known before, but was not proved or admitted.

There appears to be an odd misunderstanding between Mr. Muhlfeld and Manager Russell. When Manager Russell issued a circular announcing that the engines running between St. John and Halifax, and between Moncton and Lewis, were not doing properly.

The story about the hiring of engines to the C. P. R. is worth attention. Mr. Muhlfeld's statement is that these engines, eleven in number, so far as he knows, were leased to the C. P. R. and another railroad because they were obsolete and unfit for profitable use on the I. C. R.

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engines were not suitable for I. C. R. service, without repair, and that they could not be repaired at once. While they were waiting the government makes a clear profit by hiring them to the C. P. R. at \$3 or \$10 a day to be used by that one-horse company in their present condition.

It is quite refreshing to learn that the I. C. R. was so much better managed than the C. P. R. as to be able to hand over its unprofitable rolling stock to that company to be used and paid for at high rentals.

As an obstructionist, Mr. Fisher, the minister of agriculture, is conspicuous for his success. He started out yesterday to put through his agricultural estimates. It was 3 o'clock when he began and at half-past five he finished his introductory remarks.

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The new project for cheese curing establishments is painfully local. Mr. Fisher concludes that the English market now demands moist and soft cheese and that the farmers of Canada lost about \$2,000,000 last year because they were unable to meet this demand with the proper article.

Mr. Fowler on behalf of New Brunswick, and Mr. Hackett on behalf of P. E. I., wanted to know why their provinces were left out. Mr. Fisher said there were no cheese centres in either province.

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other story. Mr. Fisher was not able to reconcile this with his statement. Mr. Taylor, with the auditor's statement before him, took the case of the nearest establishment to his own home. The record is that Mr. McBean of Lancaster, Ont., who bought chickens at this station, bought feed for them, fed, sold and marketed the goods and reported the results.

Then Mr. Fowler took up the case of the station at Sussex. This ought to have been a success, and Mr. Fisher offhand declared that it completely successful. Their accounts, however, set forth the following statement of expenses: "J. A. McArthur, Sussex, N. B., services, \$85; 414 chickens, \$105.65; feed, 15 cwt. at \$1.70; washed oats, 35 bus. at 45c; oats, 59 bus. at 37c; milk, 5,060 lbs. at 25c per cwt.; 35 lbs. lard, \$2.20; grinding oats, \$1.50; picking chickens, \$18.90; paper, \$1.24; 100 brick, \$1; 2 crates, etc., \$5.50; pressing boards, \$1.26; sundries, 41 cents; freight charges, \$1.18."

The Truro station kept by F. L. Fuller handled 524 chickens. The cost was \$252.81, and the product almost exactly the same, but there is no record that Mr. Fuller was paid for his services, whereas Mr. McArthur had \$85.

The Charlottetown establishment was in charge of Mr. Horace Hazard. Mr. Hackett was rather surprised to find the recent impending government candidate in Queens county had been named the largest stockholder. He suggests that the government ought to explain whether there was any connection between the chicken experiment and the candidature, but Mr. Farquharson was not on speaking terms with the subject.

The accounts at other stations were like these, the total cost of preparation of poultry for market was \$5,580; of this about \$1,500 appears to have been paid to the poultry inspector and for outfits which may remain after the transaction is over, leaving \$4,080 for current expenses. The total amount received for chickens sold was \$1,833.

OTTAWA, April 14.—This is not a day of small things with corporations. What the public may suppose that Parliament is doing in the most important business in the committee chamber, the essential work goes on in the committees of both chambers.

Among the big things is the Bell Telephone Co. legislation. This concern, which reaches out over the large provinces, desires to increase its capital by ten million dollars. It has been before parliament several times, and at present it was supposed that conditions had been reached by which the company and the government would have control over rates and regulations. It now appears that the company is not subject to much restraint and the impression is that it is making very large profits.

The Treadgold concession in the Klondike is said to be good for anywhere from ten to twenty million dollars in the English market. It takes the place of the late unlamented Yukon railway commission, which would have transferred the gold fields to a corporation with another name, but said to include a number of the same beneficiaries.

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ed until long after the spoliation occurs. At any time it is difficult to make investigation, for the committee here can never get within four thousand miles of the man who is most wanted. If he is here when the summons is issued, he is away before it is obeyed.

Until two or three years ago, the principal elements to be considered in private railway bills were the interests of the Grand Trunk and the C. P. R. A certain number of members were likely to respond to the request of one company, and another number friendly to the other. For example, Mr. Blair has always been considered an ally of the Grand Trunk, and Mr. Tarte a friend of the Canadian Pacific.

But now it appears that these contests will be triangular for some time to come. Mackenzie and Mann and the Canadian Northern have become an element in the case, and strong element, inasmuch as they and their companies are carrying on more extensive works of construction than either of the other lines. It is not known how close is the alliance between this group and the Webb interests, which now own the Canada Atlantic and which seem to be behind the project of a system reaching through Quebec, New Brunswick and Nova Scotia to Louisbourg.

The Northern Securities Company started out with a magnificent prospectus, claiming all the concessions that had been made to Mackenzie and Mann anywhere in Nova Scotia, announcing the intention to build right through Nova Scotia, and giving out that they had some sort of an assurance of the transfer to them of a portion of the Intercolonial. Premier Murray of Nova Scotia was ill in New York at the same time that Attorney General Pugsley made a visit there, and Mr. Blair took a run to that town to meet them. It may be remembered that parties in Nova Scotia with whom B. F. Pearson, M. P. P., had some correspondence were opposing the Mackenzie and Mann contract for the railway from Yarmouth to Halifax.

It is a part of the programme to build a bridge across the St. Lawrence at Montreal. In a previous letter it was explained that C. N. Armstrong's application for the extension of his charter for a bridge at Longueuil was thrown out of the committee. Chiefly through the influence of Mr. Prefontaine, the largest stockholder, Mr. Prefontaine had transferred his interests to another company, and now it is supposed that the company which prevailed on that occasion, is to be a part of the Webb-Mackenzie and Mann organization. The present aspect of affairs is that the two old companies, each owning a bridge over the St. Lawrence at Montreal, will put up a fight against the new company. The weight of the Grand Trunk, one of the most expert lobbyists in Canada, is virtually living around Parliament Hill these times, and it is said that for this once he is supported by the C. P. R. lobby. On this point, however, it is not safe to speak with positiveness, for combinations are formed and dissolved every day.

Meanwhile the C. P. R., which attends to business, has been buying two railways in this neighborhood. The Gatineau road, which runs almost due north from the Ottawa up the Gatineau river, and controls the traffic of a rich district of country, including valuable lumber lands, and mines of iron, has been sold to the C. P. R. The company has also purchased the Pontiac railway, which runs from this point on the north side of the Ottawa river. A result of this purchase is that the corporation acquired a valuable railway property and has procured a shorter route between the two oceans. The Pontiac line from Ottawa westward will be the construction of a bridge to Quebec over the Ottawa, shortening the main line by some thirty miles, if the company uses the inter-provincial bridge at Ottawa and its own short line from Ottawa to Montreal. The purchase also gives the company access from both directions to the Central station at Ottawa, which formerly could only be reached from the east.

OTTAWA, April 15.—I suspect that there is a good deal of horse sense in what Col. Hughes says about the militia system of Canada and the military system of England. He is not the only man who asserts that the army is too much of a machine and affords little opportunity for the exercise of individual capacity. Col. Sam has read a good deal of history and has seen some in process of manufacture. He states with rather more emphasis than the newspaper critics his want of confidence in the British officer as produced and controlled by the system. The British officer himself is a very good man, but the system which Col. Hughes curses prevents him from attaining to his full capacity.

The colonel repeated a ghastly story of impossible British attacks by regulars on impregnable positions, of disastrous ambushes, of successful but expensive assaults which were unnecessary, in which cases he includes the actions at Peardburg. For the British soldier and for the British officer as a soldier he has the highest admiration, but he protests against the methods which do not allow them to be any more than a link in a machine. The colonel has developed a knack of imitation, and his representation of the manners and language of



"the lawdy-daw" officer is rather entertaining.

But the Hughes moral is that the whole business as managed at the war office must disappear. The whole system of training must go. The traditions of the British army so far as management, training and discipline go, must be banished and forgotten. All things must be made new. Col. Hughes thinks that the colonial officers in Africa would have done well if they had a chance. In action they were obliged to serve under imperial officers and were not able to display their own qualities.

As to Canada Col. Hughes has various suggestions of a general kind to offer. He makes the same complaint against the officers of the permanent corps that he does against the British officer. The Canadian permanent officer considers himself a little above the militia officer and a great deal above the militia rank and file. He carries himself as a lord and a despot, whereas his attitude should be that of a comrade and a teacher. The whole army system here and in England, according to Col. Hughes, is based upon an obsolete theory. In former times the working man was a slave of the master and the common soldier occupied the same relation to his officer. It is not so now anywhere except in the army. The idea of a master who controls everything and a man whose sole duty is to obey was carried out in the military department alone. Colonel Hughes thinks that there is very little difference between the position of a cadet or young soldier in a school of instruction and that of a convict in the penitentiary.

The colonel told of three brothers known to him, one a student at Toronto University, one an officer in the militia and one at a school of instruction. The student, who is youngest of the three, is allowed to spend his evenings as he likes, to board where he likes out of college, and is entirely out of control as to his personal movements.

Then it turns out that Mr. Washington selected only three other counties in Ontario and a part of Prince Edward Island for his more recent investigations. In making his calculations he made no allowance for the construction of farm buildings or improvements of any kind. All he did was to go to the register of the county and take all the actual sales recorded during the period investigated, and where the same farm was sold more than once, made comparison of the prices received. It did not occur to him that the record might not contain the exact amount received and that the value would be affected by local circumstances or by the fact that a house might be built on the premises in the meantime.

Mr. Bell had a little fun with him. He asked how it happened that farm values increased in 1877 and 1878, which was a period of great depression. Mr. Washington explained that farm values always increased when there was industrial depression brought on the country from without. He went on to say that there was no real decrease in farm values in England of late years. The apparent decrease was due to the fact that large areas were farmed and they could not produce profitable crops. Small farms were worth as much as ever. Mr. Bell suggested that wheat lands in England would naturally depreciate by the competition of newly opened land in America combined with cheap transportation. Mr. Washington's reply was, "Oh, no, competition is the cure for selfishness."

There is more to be learned about Mr. Rochester. Here is his story as he told it himself. When Mr. Tarte was going to build telegraphs in the Yukon country he gave Mr. Charleson carte blanche to go about the work. Mr. Charleson went to Mr. Rochester and said that he wanted Mr. Rochester to go about the work.

the question of Nova Scotia mines which he raised yesterday. It is not very easy to see what else he had in view, seeing that the only point there can be in his speech was the statement that the mines of Nova Scotia had become a valuable source of revenue, and that this source would have been lost if they had been transferred to the dominion government. Mr. Church Thompson administration. Mr. Church must have known that there were no papers showing that this administration had tried to get rid of the mines, for he has been chief commissioner in Nova Scotia long enough to know what the record of the department contains. The secretary of state could have told him privately and probably did tell him what he stated publicly that there were no papers indicating such propositions. Senator Macdonald of Cape Breton reminded the new senator from Lunenburg that while owing to the National Policy and the development to coal mines in consequence of the territorial revenue in Nova Scotia had greatly increased, Mr. Church and his government had not made a very good use of the advantage. They found the province with a small debt and had increased the indebtedness by \$3,000,000, notwithstanding the enormous increase from royalties. It seems that while Mr. Church and his associates have not given the coal royalties to the dominion government, they have given it to somebody else, for it is not only all gone, but an immense amount of borrowed money along with it. When Senator Church was reminded of these things, he said he was sorry that party politics were introduced into the discussion.

Mr. Washington of Ottawa is perhaps some improvement on his great namesake in one important respect. Mr. Fisher is including in his report a statement of farm values prepared by this Mr. Washington. It is not so veracious as the hatchet story, but it is the kind of statement that Mr. Fisher wanted. It shows that farm values increased during the time of the Mackenzie government, decreased during the period before 1896, and increased again from 1897 to the present time. This is the substance of the concluding observations in Mr. Washington's report. Mr. Fisher paid him \$5 a day for the period of his investigation, and Mr. Washington has been paid \$5 a day along with other time, so that he has to have worked continuously, without a day of rest, for some months. The attention of Mr. Charlton has been called to the case.

Before the public accounts committee yesterday Mr. Clancy made examination of Mr. Washington's methods. To the surprise of all it turned out that the Washington investigations down to 1890 were confined to one county and it was the performance of his duty that he made his investigation of farm values throughout Canada. The county was Carleton, in which the capital of Canada is situated, the last one that a genuine statistician would select in order to ascertain the fluctuations in value of farm property through the country. The rapid growth of Ottawa by the construction of railway lines converging here, the establishment of local industries, and the development of Ottawa as a capital, is well known.

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