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PASSENGER MATTERS.

The Interstate Commerce Commission Inquiry.

In view of the importance of the recent enquiry into passenger rate matters by the Interstate Commerce Commission we devote considerable space in this issue to the proceedings at Chicago. The papers of that city published very imperfect reports. Not one of them gave even a complete summary of the evidence, confining themselves to scrappy extracts, evidently selected to make the most of the case for the U.S. lines & to the disadvantage of the Canadian Pacific, "the foreign road."

As Sir Rivers-Wilson says, in an interview published elsewhere in this issue, the fight is really one between the transcontinental roads, & we will narrow this down still further by localizing it as between the Canadian Pacific & Great Northern (U.S.), with President Hill, of the latter, as the aggressor. It has been pretty well understood in railway circles for a good many years that there is no love lost between the managements of these two systems. When Mr. Van Horne made his first trip to Manitoba at the end of 1881, just prior to assuming the General Managership of the Canadian Pacific, it was in company with Mr. Hill, on whose recommendation, it was said, Mr. Van Horne, then the successful General Superintendent of the Chicago, Milwaukee & St. Paul, was selected for the position. Mr. Hill was then a director of the C.P.R. as well as of the St. Paul, Minneapolis & Manitoba, Mr. Geo. Stephen being President of both lines.

It is said, & pretty generally believed, in well-informed quarters, that very soon after Mr. Van Horne got to work at Winnipeg, Mr. Hill tried to use him to carry out schemes for the advancement of the St. P., M. & M. at the expense of the C.P.R. But the man from Milwaukee was not to be handled in that way. He had thrown his whole energy into the C. P.R.; he realized the magnificent opportunities before it, & with him its interests were paramount. Then came a struggle in which Mr. Hill came out second best, & in the course of which he is said to have resorted to methods which revived the story told in his flat-boat days on the Red River, when it was said there were three notorious prevaricators in St Paul, — was one & "Jim" Hill was the other two; but "prevaricators" was not the exact word that was used. We have digressed somewhat, but it has been for the purpose of showing that Mr. Hill's policy is one of revenge & uncompromising hostility towards the Canadian Pacific, from the councils of which he retired years ago, foiled.

Vice-President Clough's speech before the Commission, reported further on in this issue, clearly shows that what the Great Northern wants is not a settlement of the rate question, but the absolute exclusion of Canadian lines from participation in U.S. traffic, & particularly to keep out Canadian Pacific competition. As a matter of fact, the speech did not deal at all with passenger matters, but was a

talk to the gallery, a deliberate attempt to arouse national feeling. But Mr. Clough will undoubtedly find that public opinion is not with him. It certainly is not in Minnesota or Dakota, which have benefited to a great extent by Canadian Pacific competition, as is shown by the article from a leading Minneapolis paper, published elsewhere in this issue. President Tuttle, of the Boston & Maine, has, in a recent interview, shown what the feeling of the New England railway managements is, & the Railway World, of Philadelphia, denounces Mr. Clough's proposal as "sheer nonsense."

The Chicago Times-Herald, in its issue of Aug. 3, said: "Before the Interstate Commerce Commission, in the Federal court-rooms in this city, the Canadian Pacific Railway is fighting against being barred from carrying a pound of American freight or a single passenger from American soil. Arrayed against it are the most prominent railroad men of the West, each of whom hammers home vigorous arguments against the continuance of a system that, it is alleged, diverts annually millions of dollars from American workmen, & many millions more from America's taxpaying railroads. Begun only with an idea of bringing to an end a disastrous & costly passenger rate war, the inquiry of the Commerce Commission has proceeded to a stage in which the expulsion of the foreign road from participation in strictly American traffic is practically demanded."

Legislation such as is indicated could not be directed against the C.P.R. alone. It would have to strike at all Canadian lines running into the U.S., & it would hit the Grand Trunk & Michigan Central more seriously than the Canadian Pacific. In view of this we cannot help thinking that the Grand Trunk management would do well to consider whether it may not carry its U.S. alliances too far for the shareholders' interests. It is undoubtedly suffering a very considerable diminution of revenue at present in consequence of having allied itself with the U.S. transcontinental lines, & there is no reason to doubt that if, by its so doing, the rate cutting is perpetuated, the showing for the current half-year will be a very unsatisfactory one.

General Passenger Agent Davis, of the Grand Trunk, in a recent interview, said: "Mr. Clough's proposal had not the support even of the U.S. railway men, & there is no danger of Congress adopting any such adverse legislation." As shown by President Tuttle, it has not the support of eastern lines, but what of the west? Mr. Clough's speech was delivered in the presence of dozens of representatives of U.S. lines, & it seems strange, if they did not agree with it, that they did not promptly repudiate the proposal.

If this was simply a rate fight between the Grand Trunk & Canadian Pacific, we should occupy a neutral position, but it is far more; it is an un concealed attempt to exclude Canadian railways by unfriendly legislation in the interest primarily of the Great Northern, & secondly of other transcontinental lines. Our deep regret is that in such an issue there should be even the suspicion of a single Canadian line siding with the U.S. conspirators against Canadian interests.

The Call for an Enquiry.

At a session of the U. S. Interstate Commerce Commission in Washington, July 14, the following order was made:

In the matter of the alleged disturbance in passenger rates by the Canadian Pacific Railway Co.:

Whereas, it has come to the attention of the Commission that there exists at the present time a contest in passenger rates between the Canadian Pacific Ry. Co., a corpora-

tion of the Dominion of Canada, upon the one hand, & certain American lines & their connections, including the Grand Trunk Ry. Co. of Canada, upon the other; & whereas, it is charged by the American lines that the C.P.R. Co. has been & still is, in open violation of the Act to Regulate Commerce, making unreasonably low rates between various points in the U.S., not as a measure of legitimate competition, but as a means of retaliation for the purpose of exacting certain unreasonable demands upon its part, & that such illegal conduct on the part of the C.P.R. will result, if persisted in, in the utter demoralization of passenger rates over a large portion of the U. S. & in incalculable damage to the interests of the American lines, all of which is either denied or justified by said Canadian Pacific Railway Company; & whereas, it seems advisable that the Commission should be fully informed of the whole situation in respect to passenger rates as induced or affected by the competition of the C.P.R., as above set forth, with a view to determining what, if any, relief can or ought to be applied or suggested, or what action should be taken in the premises; now, therefore, it is ordered, that an investigation into the above matters be made, & that this cause be set down for hearing at the Federal Court Room in Chicago, Ill., on Aug. 1, at 10 a.m., at which time & place all parties interested in the matters under investigation will be heard, & at which time & place the following named companies are directed to appear by their general passenger agents or those persons having in charge the passenger traffic of the respective lines.

Following is a list of the lines included in the notice:—Vichison, Topeka & Santa Fe, Burlington & Missouri River Railroad in Nebraska, Burlington, Cedar Rapids & Northern, Chicago & Alton, Chicago & Northwestern, Chicago, Burlington & Northern, Chicago, Burlington & Quincy, Chicago Great Western, Chicago, Milwaukee & St. Paul, Chicago, Rock Island & Pacific, Chicago, St. Paul, Minneapolis & Omaha, Colorado Midland, Denver & Rio Grande, Fremont, Elkhorn & Missouri Valley, Sioux City & Pacific, Hannibal & St. Joseph, St. Louis, Kansas City & Northwestern, Kansas City, St. Joseph & Council Bluffs, Illinois Central, Iowa Central, Jacksonville & St. Louis, Missouri Pacific, Minneapolis & St. Louis, Michigan Central, Oregon Railway & Navigation Co., Oregon Short Line, Rio Grande Western, Rock Island & Peoria, St. Joseph & Grand Island, St. Louis, Iron Mountain & Southern, St. Louis & San Francisco, Southern Pacific, Southern California, Santa Fe Pacific, Texas & Pacific, Union Pacific, Wabash, Wisconsin Central, Great Northern, Northern Pacific, Boston & Albany, Fitchburg, Toronto, Hamilton & Buffalo, Chicago & Grand Trunk, Grand Trunk & the Canadian Pacific.

The Proceedings at Chicago.

The Commission opened its session in the Federal Court rooms, Monadnock Building, Chicago, Aug. 1, the whole of the members being present as follows: M. A. Knapp, Chairman; J. C. Clements, J. D. Yoemens, C. A. Prouty & W. J. Calhoun.

The Canadian Pacific was represented by Passenger Traffic Manager D. McNicoll & Attorney H. R. Raymond. There were also present General Passenger Agent Davis, of the Grand Trunk, & representatives of a large number of western U. S. lines.

At the outset Mr. Raymond desired it to be distinctly understood that the C. P. R. was not present as a defendant, or to officially answer to any complaint which might have been filed by the U. S. interests. The C. P. R. had violated no law of the U. S., & had uniformly obeyed the requirements of the