

THE GOVERNMENT AND THE CORPORATIONS.



HIRED MAN BORDEN.—"Hurry up, now, boys; help yourselves and beat it before the Boss catches on."

IN the dying days of the last session of Parliament the Government made what was virtually a gift of \$15,640,000 to the Canadian Northern Railway Company owned by Sir William Mackenzie and Sir Donald Mann. This subsidy was to aid the construction of the Company's transcontinental line and the line from Toronto to Ottawa—both lines being already nearly completed.

The voting of this huge sum—equal to over eight dollars per head for every elector in Canada—came as the climax to the quarter-billion-dollar session.

Four amendments were offered by the Liberal Opposition and each in turn was refused by the Government. These amendments provided for—

(1) instead of a gift, a loan of \$15,000,000 for ten years at four per cent, secured by the debentures of the Canadian Northern system and also by the transfer of common stock to the par value of \$15,000,000;

(2) the equalization of eastern and western freight rates on the C.N.R. system, except in so far as the Company could establish higher cost of operation on lines west of Fort William;

(3) control by the Railway Commission of rates charged on the British Columbia section of the C.N.R., the Company being now exempt from such provision;

(4) empowering the Railway Commission to compel the C.N.R. to give as low freight rates from East to West in Canada over its lines as obtain on American roads from the East to Winnipeg and western points via Chicago and Minneapolis.

Each one of these four Liberal amendments was in the interests of the people.

The Government turned down every effort to impose conditions on the gift and secure to the people who paid the money, a return of favor for favor.

To the two multi-millionaires the outcome must be eminently satisfactory. True Mackenzie and Mann have done much for Canada. But what has Canada done for them? Here are the main facts.

The total cash subsidies paid the C.N.R. system by federal and provincial governments and by municipalities, exclusive of last session's munificence amount to \$11,239,722. In land grants they have received some six million acres (two million from Ontario) and at a moderate estimate of \$6 per acre, the cash value would be \$36,000,000. Add to this the last cash subsidy of \$15,640,000 and the total in land and cash comes to \$62,899,722. Federal Government bond guarantees total \$58,043,250: provincial government bond guarantees bring this total up to \$120,120,151. The total public assistance to the Canadian Northern System in cash, land and bond guarantees may therefore be fairly estimated at \$183,010,183—a staggering total. Messrs. Mackenzie and Mann practically own the \$70,000,000 of the capital stock; they have made millions in their separate capacity as contractors for the system; they stand to make many millions more.

The questions for the people of Canada are "where do we come in?" and "what is the political return to the Borden Government?"