

Continued from page 1. John River, and to cause the report upon the estimate of cost of said line of railway to be made, or of such part or parts thereof as may be deemed necessary or advisable. Such survey, report and estimate to be made by or under the direction of a competent engineer or engineers to be appointed by the lieutenant governor in council, the province to be reimbursed for what over expense it may incur for any such survey, report and estimate by any company with which the contract may be entered into, under parts two or three of this act before any bonds are guaranteed.

At Once. Therefore if this bill met with favor and passed the house, the government would see to it that survey was started at once and that a report was made as early as possible so that negotiations for the building of the road might commence. Part two of the bill provided for the guarantee of \$25,000 per mile on the basis of an arrangement being made with the Dominion government, and the company constructing it for its operation on the basis of the government paying 40 per cent. of gross earnings as rental. As to specifications it followed that the Dominion government would be required to furnish the letters which he had read from Mr. Pugsley and Sir Wilfrid Laurier except that the government felt that it would not be right to ask the province to guarantee bonds to the extent of \$25,000 per mile and to provide equipment as well. It was therefore provided that the company would have to arrange with the Dominion government to equip the road if they took it over for operation.

Hon. Mr. Hazen said that the government would see to it that the provision for the guarantee of \$25,000 per mile was not too large, and that it should be possible to make arrangements with the federal authorities for the equipment of the road. There was a provision in the bill making it necessary for the company undertaking construction to give a guarantee to keep the province harmless as to interest when the road was under construction, this provision being similar to that which was placed in an act regarding the International Railway. It was also provided that the lieutenant governor in council before entering into a contract with any company or corporation for the construction of the railway shall first be satisfied of the bona fides of such company and its ability and resources to construct the road. This was to prevent the company coming forward with an offer to construct the road and after they had completed some of the easier portions and difficult parts remained saying that they would be unable to go on with the work. Until the government had most unqualified information that the company was able to absorb and construct the road no contract would be awarded.

Another Provision. There was also the provision that the bonds should be guaranteed in ten mile sections, as with the International Railway legislation. There was also a provision that the company should obtain a subsidy of \$6,400 from the federal government, and a further section gave the government authority to enter into a contract for the building of a railway with limitations, providing that an arrangement could be made with the Dominion government for the operation of the railway as a portion of the government railway system.

Hon. Mr. Hazen read the following paragraph from the bill relating to specification laid down in Mr. Pugsley's letter to the secretary of St. John Valley Railway Company and afterwards approved by Sir Wilfrid Laurier: "Specification for said railway and the contract between lieutenant governor in council and such company for the building of the same shall require and call for the construction of a first-class trunk line of railway with grades not to exceed four tenths of one per cent., and to be ironed with steel rails weighing not less than thirty pounds to the yard, and shall provide that all bridges shall be of steel superstructure with substructure of stone or concrete, culverts to be of masonry or concrete, and shall describe of the character of the road as set forth in a letter from Hon. William Pugsley, minister of Public Works of the Dominion of Canada, dated the 19th day of June, 1909, and approved by Sir Wilfrid Laurier, prime minister of Canada, in a letter addressed to F. B. Carvell, M.P., dated 28th day of January, 1910, and the said line of railway shall be built up to the before mentioned specifications and standard and shall be constructed subject to inspection by and shall be built to the satisfaction of the provincial engineer or such other engineer or engineers as the lieutenant governor in council may from time to time appoint to inspect same, and such contract shall also provide that such railway shall be equipped by said company or by the government of Canada with proper and sufficient rolling stock."

Another Section. Another important section which he felt would meet with approval was the following: "The company shall before being entitled to any guarantee authorized by this act, furnish facts satisfactory to the lieutenant governor in council, establishing that all just claims against contractors and subcontractors for materials, wages and supplies entered into and supplied for construction of said railway or that part or section thereof in respect to which guarantee is required, have been fully paid or satisfied."

Two other sections of that part of the bill provided for free right of way for the road on crown lands and completion with initial equipment of the entire road in actual condition for traffic not later than July, 1914. Since progression at the close of last session of the legislature, the government had not been idle. They realized great demand for the railway on the St. John Valley and they had carried on negotiations with railway and truck companies which might take up building of the railway and there had been only one willing to construct the railway on the guarantee of less than \$25,000 per mile. There

were two companies ready to undertake it with a guarantee of \$30,000 per mile, and another proposition was made on the \$25,000 mile basis. The government had, though, it desired to submit to the House in this bill not only the proposition for a survey of the route and one dealing with the operation of the road as a part of the Intercolonial system, but in case these might fall there was another to allow the government to open negotiations with anybody capable of carrying out the work and this was done in part 3 of the bill.

Government Not Tied. The government was not tied up to any individuals or any company. But there was one concern who were ready to start upon the construction of a line of railway from Andover via Centreville and Lakeville, and through Woodstock, Fredericton and Gagetown to the city of St. John or to a point on the Canadian Pacific Railway near Westfield or between Westfield or Westford and to follow between Woodstock and Westfield as near as practicable to the western bank of the St. John river. They proposed to operate this railway by either steam power or electricity and a bill provided for the province to guarantee the construction of such a railway not to exceed \$25,000 per mile. It was not the idea to make the road a local one by any means, but it was to form part of a railway to be constructed across the state of Maine and the province of Quebec, to connect with the great Transcontinental Railway, going to the Western Canada at the Quebec bridge. This company had about demonstrated their ability to raise the necessary money for carrying out the project and as protection to the province regarding interests there was a provision calling for the company to deposit \$25,000 for each mile of the road to be guaranteed, this amount to stand as a safeguard against the province for interest charges and would amount to the total interest charge for three years. There was also of course a provision which made it so that the province was not liable for interest during the construction of the road.

Certain portions of the press had been putting the idea forward that the government was planning to build a cheap electric road built. There was no idea further away from the minds of the government than this. The government realized that a railway which would traverse the St. John Valley must eventually become part of one of the great transcontinental systems carrying the output of the great Western province of the Dominion to an Atlantic seaport. Any government which would allow the building of a cheap railway that would form part of a transcontinental system was deserving of the greatest commendation.

The Shortest Haul. The gentlemen with whom the government had been in touch claimed that there would be no difficulty to raise sufficient money to build that portion of the line from where it branches away from the International Railway at Andover to the Quebec bridge there to connect with the great transcontinental system. The proposed route for this road was from Andover to St. John via the port of St. John. From Quebec city to St. John the distance was 578 miles while the proposed route from Andover to St. John via the port of St. John would be 467 miles. The route from Andover to Fredericton, 92 miles; Fredericton to Gagetown, 30 miles; Gagetown to Westford or Westfield, 25 miles; Westford to St. John, 24 miles; total 375 miles.

Thus it was shown that the route would be two hundred miles shorter than the route from Quebec to St. John via the I. C. R., and it would be nearly as much shorter than the National Transcontinental system. The company thought that an electric railway was not suitable for hauling heavy loads and big trains, but that was a fallacy. There are now in operation in the United States 43,197 miles of electric roads and a great many more under construction. Of these roads 4,679 miles are now in operation, and the former operated by steam, but since have been equipped electrically for various reasons such as more efficient service saving of operating expenses, less danger of setting fires in forests etc. The New York, New Haven and Hartford for instance, have their four trunk lines operating out of New York as far as Stamford, Conn., thirty-three miles, from steam to electricity, and it had proved so efficient and satisfactory that they are now making preparations to extend the equipment though to Boston. Electric currents cost a trifle over 2 1/2 cents per kilowatt generated by steam, where they get coal direct off vessels right into the power house, but the company desiring to construct the Valley Railway claimed to have an offer of 1 1/4 cents per kilowatt for their power.

Pennsylvania Railways. Pennsylvania railways are adopting electric power as fast as they can make changes. The New York Central and the Erie of New York City on their old steam railroad lines with electrical equipment and are extending the electrical service every year. The government has been given to understand that they had about completed arrangements to get power at less than 1 1/4 cents per kilowatt from the Aroostook Falls Power Development and that there would be sufficient power from there to operate the railway along the entire valley of the St. John river. There would be not only cheaper power on an electric railway, but operating expenses would also be less and there would be the absence of the possibility of fires and no dirt.

Hon. Mr. Hazen submitted a statement of minimum horsepower going to waste over the main dam of the New Brunswick Power Co. at Aroostook Falls by actual measurement taken each day for the last year. Month H-Power May .. 25,900 June .. 15,400

July .. 12,000 August .. 7,000 September .. 9,100 October .. 13,900 November .. 16,100 December .. 9,000

More Power. Hon. Mr. Hazen said that he was informed by Mr. Gould the president of the company, who he had always found to be a most reliable man, that the water flowing over the lower dam would give at least 20 per cent. more horsepower than reported above. Mr. Gould also said that at the dryest part of 1908 a minimum amount of horsepower was about 100,000 and that to operate a railway along the valley from Andover to St. John would not require the use of five thousand horsepower. The company did expect to make money on the operation of the road and not on its construction. The cost of building an electric railway was more than for one of steam. The electrification was a big item and everything totalled up the road would cost over \$40,000 per mile.

While it was well known that guaranteed bonds would have to be sold at a discount the men at the head of this project business men and bankers in the money market of New York and London and besides the successful flotation of the bonds, they had further sum of two million dollars to make up the difference between the assistance given and the cost. They had no objection to the representation of standing in New York and London financial circles who met members of the government and who had raised all right. He considered the fact that the company was prepared to put two million dollars into the project as a guarantee that the province was not going too far.

But with all this, part 3 of this bill, does not bind the Government to the construction of the road, but it does whatever. If there still were people in the province who believed that the road would be the only one for hauling lumber, yet in spite of this he was able to say that that was not the opinion of this House for at least the Atlantic, who is represented by Mr. Burchill, of Northumberland, of Gloucester, that steps taken to press upon the Federal Government the advisability of electrification of the National Transcontinental through this province in order to save the forests from fires which would probably result from the passing down through the central portion of the province.

House Concurred. The House concurred in that resolution and the mover and seconder with the Government. The Government went to Ottawa along with representative lumbermen and representatives of the Province of Quebec, and urged the Government to give permission for the construction of the road. His only regret was that there was such a pressure of business at Ottawa at that time that it was impossible for the Government to go to Sir Wilfrid had said however, that as a matter of great importance and worthy of most careful consideration, the Government should take time to time, and while it was hard to get out of old grooves changes were nevertheless, working out to the benefit of the people. The introduction of the new ideas was the introduction of oil for fuel. It was being adopted in the British navy and in use on some of the Atlantic, who is represented by Mr. Hazen then read a letter from Mr. Frank Taylor, a highly competent and well known engineer in the employ of the General Electric Company of the United States, who has had investigated a number of changes and proposed installations from the Pacific coast to the Atlantic, as follows: "While propulsion of cars on their own tracks by electric power is accepted as a common every day occurrence by the people, yet in spite of the slogan cry of the electric inter-urban road of today in comparison with the steam road is in all cases, no dust, no smoke, no cinders and these results can be obtained at a lower cost per car mile through the use of electricity than a steam road can be operated with its accompanying cinders and smoke even when operated under the best conditions."

"There is so much evidence in favor of the electric locomotive that it is practicable to quote but a few well known examples of which the following are such: The Southern Pacific spent some three years of negotiations, setting thousands of dollars looking for a remedy for their congested conditions in traffic through their most mountainous and rugged sections, and they finally train meant a double header and this all on a single track. The use of electric power entailing for this road, the source power, with its attendant expenses of rolling stock and the total initial expense of installation as well as maintenance. On the other hand the remedy lay in the double tracking existing steam road with its attendant expense which in some cases would have been let it be said quite high, owing to the physical nature of the country. After investigations had been completed and estimated costs considered electricity was unanimously decided upon as the only rational remedy to use. And this work is now being carried on even further than at that time decided on, as the trains across the bay from San Francisco in the city of Oakland are now operated by this road by electricity.

Another example which shows comparison between actual operating conditions under two sources of propulsion steam and electricity is that of the Great Northern Railway, located one hundred miles east of Spokane the following account written by a gentleman who has the pleasure of spending an hour or two there may be of interest: "The impressive fact is not so much that an electric locomotive can pull a train, but to realize a change is has brought about. The tunnel is about two and one half miles long with grade of about two per cent. heretofore, a second steam locomotive in double header has not been able to do much owing to the first locomotive using up the air. Long freight

trains were divided into as many as four sections which were taken through one at a time, each trip of the locomotive back and forward must await the clearing of the tunnel of its smoke and gases which was a slow process when the wind was not favorable. This was taken from one to four hours to get a train through by steam. It takes twenty minutes by electricity."

More Evidence. "This will suffice to show what an electric locomotive can do and what has been done recently by two of our large steam systems. The Pacific Electric Railway has four hundred ninety-one large passenger cars and five hundred, seventy-two freight cars. In the busy season twenty-five car loads of berries are brought into Los Angeles daily by electric cars and as many as one hundred twenty cars of lumber, fruit, garden truck, milk and crushed rock are shipped from the city in a single night. The city of Long Beach tapped by this system, from a small hamlet to a business town of thirty thousand inhabitants. That in the eastern portion of the country, the electric road is also coming into use is evidenced by the opening in November of the Pittsburg, Harmony, Butler and Newcastle Railway Company's 1200 rods direct to direct competition with another electric road already in operation, besides existing steam roads, and has an exaggeration, but the standing territory having a population in the neighborhood of six hundred, twenty-six thousand."

Some change obtained by the well known engineering firm of Dodge & Day of Philadelphia, in actual service, will show the economy of electric operation. They found that on a certain line a steam locomotive with one car seating sixty passengers, was operated at a cost of 45.4 cents per car mile, while with direct current motor car seating forty-four passengers, cost per mile was cut to 17.7 cents. This may sound like a great saving, but the standing of this firm in the engineering and commercial world speaks for the reliability of this information."

Mr. Hazen said that statistics showed that steam railroads in Maine had gained in mileage from 1888 to 1908 ten per cent., while electric roads in the same period had gained 500 per cent. The Atlantic Shore Line Railroad in the southwestern part of Maine, commenced the passenger part of its route in 1901. In 1902 it had one and a half miles built and earned \$4,637, and 92,758 passengers and freight cars. In 1903 it had two miles built and earned \$11,407 their stock and net debt being \$46,486. In 1908 they had 89 miles, their earnings were \$387,180 and their surplus was \$100,000.

Continuing Mr. Hazen said he wished to say in closing that the Government was not tied up to any electric proposition, but he was convinced a road could be operated much more cheaply with electric power than with steam and if the conditions were suitable an electric road would be more likely to become a paying proposition and pay the interest on the bonds which the province guarantees and give a profit to those who have the energy and the ability to undertake such a project.

Under part 2 of the bill, it was stated that the road down the valley would start at Grand Falls. Under this part it would start at Andover. The Government had authority under the bill to guarantee the bonds of the company to \$25,000 per mile and takes a first mortgage on the railway and the company of the province. Provision is made that the province will not be liable for bonds while the railway is under construction and the rolling stock and equipment shall be provided by the government \$3000 in cash for every mile of road on which the bonds are guaranteed, to stand against any interest charges which the province would have to pay.

Province Safeguarded. The House would feel that this safeguarded the province to a great extent. In making any contract the Government must be careful to safeguard the province's interest, at the same time recognizing the great necessity of this railway. The matter of the province's interest in the Government a great deal of thought and anxiety would be expected with a matter of such great importance and magnitude. It was the duty of all members of the House to bring their best intelligence to see that the interests of the province were well safeguarded.

With the electric road the cost of operation was smaller, the cost of power was smaller and when this or any other company were prepared to spend over \$2,000,000 dollars of their own money it was a guarantee of their good faith and that they felt that the proposition was entirely feasible, and with the provision that the company deposit \$2000 in cash per mile to stand against interest he believed that unless the financial result for the province was the same in most respects as those under part two, it was provided that bridges should be of steel and that the road should be ironed with 70 pound rails, while the bill which the honorable Mr. Pugsley introduced for the building of the Valley Railway in Lakeville in Carleton and Gagetown to the City of St. John or to a point on the Canadian Pacific Railway near Westfield between Westfield and Westford, in the County of Queen's that portion from Woodstock to St. John to run as near as practicable to the western bank of the St. John river, and to cause a report upon and estimate of the cost of said line of railway to be made; such survey to be made by or under the direction of a competent engineer to be appointed by the Lieutenant Governor in council. The province to be reim-

bursed the cost by the company with which a contract may be entered into. Part 1 authorizes a guarantee of principal and interest of the first mortgage bonds of any company authorized by law to construct the railway; such bonds not to exceed \$25,000 per mile and the government is authorized to enter into a contract with any such company for the construction of such line of railway provided the government first be satisfied of the bona fides of such company and its ability and resources to construct the said railway. The bonds are at four per cent., payable half yearly and the principal thereof in not more than fifty years.

As such section of ten miles is completed and the contract between the engineer the bonds may be endorsed to the amount represented by each section of ten miles, having regard to the cost of the work already completed relative to the whole estimated cost of the railway and upon the report of the engineer appointed by the Lieutenant Governor in council. Before any of the said bonds shall be guaranteed the company shall give a first mortgage for the full amount of principal and interest of the bonds. Before any of the company's bonds shall be guaranteed the company shall provide for the payment of interest during the construction of the railway.

It is provided that no such agreement shall be entered into with any company until the Parliament of Canada shall enact legislation authorizing the granting of a subsidy to the railway of not less than \$400 per mile and authorizing the Government of Canada to agree with such company or corporation and with the Government of New Brunswick for the building of the said line of railway when completed, for 99 years and for the payment of 40 per cent. of the gross earnings as rental. The location of the said line of railway shall be approved by the lieutenant governor in council before any of the said bonds shall be guaranteed and before any contract for the construction thereof shall be entered into. Clause 10 says the specification for said railway and the contract between the lieutenant governor in council and such company for the building of the same shall require and call for the construction of a first-class trunk line of railway with grades not to exceed four tenths of one per cent., and to be ironed with steel rails weighing not less than 30 pounds to the yard, and shall provide that all bridges shall be of steel superstructure with substructure of stone or concrete culverts to be of masonry or concrete, and shall describe of the character of the road as set forth in a letter from Hon. William Pugsley, Minister of Public Works of the Dominion of Canada, to the secretary of the St. John Valley Railway Company, dated the 19th day of June, A. D. 1909, and approved by Sir Wilfrid Laurier, Prime Minister of Canada, in a letter addressed to F. B. Carvell, M. P., dated the 28th day of January, A. D. 1910, and the said line of railway shall be built up to the before mentioned specifications and standard and shall be constructed subject to the inspection by and shall be built to the satisfaction of the provincial engineer or such other engineer or engineers as the lieutenant governor in council may from time to time appoint to inspect the same; and such contract shall also provide that such railway shall be equipped by the said company or by the Government of Canada with proper and sufficient rolling stock.

Actual work on construction shall be commenced not to exceed four months from the date of the proclamation of the province, and the entire road to be completed and provided with initial equipment and actual condition for traffic not later than the first day of July, 1914. Part three relates to the alternative contracts. It authorizes a guarantee of principal and interest of bonds of any company, authorized to construct a railway from Andover via Centreville and Lakeville through Woodstock, Fredericton and Gagetown to the City of St. John or to a point on the Canadian Pacific Railway near Westfield between Westfield and Westford, in the County of Queen's that portion from Woodstock to St. John to run as near as practicable to the western bank of the St. John river, and to cause a report upon and estimate of the cost of said line of railway to be made; such survey to be made by or under the direction of a competent engineer to be appointed by the Lieutenant Governor in council. The province to be reim-

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Actual work on construction shall be commenced not to exceed four months from the date of the proclamation of the province, and the entire road to be completed and provided with initial equipment and actual condition for traffic not later than the first day of July, 1914. Part three relates to the alternative contracts. It authorizes a guarantee of principal and interest of bonds of any company, authorized to construct a railway from Andover via Centreville and Lakeville through Woodstock, Fredericton and Gagetown to the City of St. John or to a point on the Canadian Pacific Railway near Westfield between Westfield and Westford, in the County of Queen's that portion from Woodstock to St. John to run as near as practicable to the western bank of the St. John river, and to cause a report upon and estimate of the cost of said line of railway to be made; such survey to be made by or under the direction of a competent engineer to be appointed by the Lieutenant Governor in council. The province to be reim-

bursed the cost by the company with which a contract may be entered into. Part 1 authorizes a guarantee of principal and interest of the first mortgage bonds of any company authorized by law to construct the railway; such bonds not to exceed \$25,000 per mile and the government is authorized to enter into a contract with any such company for the construction of such line of railway provided the government first be satisfied of the bona fides of such company and its ability and resources to construct the said railway. The bonds are at four per cent., payable half yearly and the principal thereof in not more than fifty years.

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