

these rates has ever been made to the railway committee of the Privy Council, the natural and inevitable consequences of over speculation have been mistaken by many people in Winnipeg and some other towns in Manitoba for need of railway competition. This idea has been fostered by individuals with selfish ends to serve, by towns seeking advantages over others in trade, by local politicians striving for popularity, and by politicians at large for party ends.

The usual means have been employed for creating and keeping up a ferment—the cry of monopoly and extortionate rates, sensational articles in the local press, unfair and false comparison of rates, inflammatory speeches and appeals to prejudice. The local political parties have vied with each other in securing to themselves the support of the malcontents, and this has resulted in an undertaking by the Provincial Government to construct a line of railway to the international boundary, where it has agreed to make connection with a line advancing northward from the Northern Pacific Railway, and which is supposed to be building under the auspices of that company. The acts of the Local Government providing for the railway in question are in direct violation of the British North America Act and beyond the powers of a province, and are consequently without warrant of law. In attempting to proceed without legal right the Province has been checked by a temporary injunction and it is not to be believed that in the event of a permanent injunction being granted by the courts that the Local Government will set the law at defiance; nor can it be expected that the wishes of even a majority of the 100,000 people in Manitoba will prevail against the wishes of the 5,000,000 people of the Dominion. Independent of any constitutional question, and particularly in view of the heavy expenditure of the company in making branch lines largely at the instance of the Local Government, and of other great expenditures that have been made by our company for the development of the Province, the action of that Government in attempting to divert traffic by building a railway to the boundary, however insignificant that railway may be, is unfair, unjust and a breach of faith with the company. The service of our company has given universal satisfaction, and if the rates were oppressive no complaint has ever been laid before the constituted authorities that the facts might be authoritatively brought out and redress obtained. It would be absurd to urge that the completion of sixty-six miles of railway undertaken by the Government of Manitoba would ruin the vast Canadian Pacific system, but its construction would be a violation of contract with our company, and the directors feel it to be their duty to maintain the rights of the company in this matter in every legitimate way. That the country will carry out the contract with the company in good faith the shareholders may rest assured. The parliament of Canada at its last session sustained the government by an extraordinary majority in the determination to prevent, if only as a matter of public policy, the building of railways to the international boundary and the prompt action of the Govern-

ment in disallowing the acts of the Manitoba legislature, relating to the Red River Valley Railway, followed by the active steps taken by the Minister of Justice to stop work by an injunction, is sufficient evidence of the intention of the Government in this regard. The present agitation in Winnipeg is chiefly damaging in its effects on the province itself. The intemperate, sensational and ridiculous utterances of a section of the local press are printed and read abroad with alarm, and the effect upon emigration and upon the credit of every enterprise in the province has already been most serious. Your directors believe, however, that this agitation, like those which have preceded it, will disappear as soon as the people of the country come to understand the facts and discover the motives of those by whom it was created.

(Signed), GEORGE STEPHEN,  
President.

### Canadian Government Railways.

In commenting on the report of Canadian government railways the *Railway Age* says:

While it is true that the ownership of railways by the Dominion Government has proved directly unprofitable, there is another and broader view in which to look at the question of government railway ownership. The people have received the benefit of the operation of these roads which doubtless would not have been built by private capital. The people of Canada have looked upon railways as so great a public necessity that the government has in some cases built the roads outright and also maintained them at a heavy loss, as the foregoing figures indicate; while in a great number of cases it has donated liberal subsidies to aid private capital in the construction of proposed lines. The report referred to contains a list of 102 railway companies to which the Dominion Government has given subsidies of cash and lands, and that policy which in this country it is now popular to denounce is being carried on with great liberality in the Dominion. Moreover the various provinces of Canada have furnished and are still furnishing aid in very large amounts for railway building and the result of this liberal policy of the general and provincial governments is seen in the rapid development of the great domain of Canada within the last few years. The Canadian Pacific Railway alone received at the outset from the Federal Government a subsidy of \$25,000,000 in money and 25,000,000 acres of land, and this assistance was subsequently increased by a loan to the company of \$25,500,000 and a guaranty of dividends on \$65,000,000 of the company's stock. Although the ownership and operation of railways by the general government is not in keeping with the spirit of our republican institutions there is something to be said for the policy from the standpoint of a country like Canada. It is to the credit of the government officials of these Canadian roads that their lines have been operated with honesty and efficiency.

### Lessons from the Great Railway Accident for the Public as well as for Managers.

The general manager of one of the greatest railway systems in the country sends the following timely and truthful comments  
*To the Railway Age.*

It is safe to say that the late accident near Chatsworth creates a feeling of apprehension approaching dismay in the mind of every railway manager in the country. The criticism is sure to be and properly so unsparing; much of it quite likely unfair, and some of it being based on *ex parte* statements or inaccurate information is sure to be unjust. The criticism should be, as I say, unsparing, but the responsibility should be placed where it belongs, and I venture the opinion: to particularize this individual accident, but speaking more generally, that the public is quite as much and just as directly responsible as the officials of any railway upon which such an accident may occur. I speak of the public as they are represented through the various legislatures by the board of railway commissioners. A railway company with a line not long in existence, its plant comparatively new, earns as shown by its books a considerable surplus; or it may for a series of years have shown a reasonable balance after paying its fixed charges, its dividends and its operating expenses. At once the clamor is raised that the railway company is exacting too much from the public; it has a good road and good cars and engines, and the surplus it shows is the exact figure it has "robbed" the communities of. Then the average railroad commissioner takes the same view, and with more or less care figures out a schedule of rates that shall prevent the claimed extortion. The tariff is made, the roads adopt it, and no manager or superintendent holds office who does not try to so manage his line as to still make his earnings pay the stockholders and have his operating expenses conform, if he can, to the requirements under which his services are called valuable, or otherwise. What is the result? He patches up this bridge to make it go a year longer; this section of rails need renewing but we will take out the worst—all of them bad—and make the balance do "through the winter." Wheels, axles, cars, engines, all take the same treatment. He employs three men where four are required, he puts in four new ties where six are necessary, and perhaps he gets through, but perhaps also it would have been better if the public had allowed the railway company to acquire sufficient to make the renewals; or if they don't get it for the renewals they need it to pay for the damages resulting from the inevitable accident.

I am no believer in unjust exactions from the public, but I am fully persuaded that the constant pressure for lower rates contains a menace to the safety of the travelling public that they do not themselves realize. The universal demand is for better cars, faster time, additional and expensive safety appliances, and—lower rates. Accidents like this emphasize the need there is for the most conspicuous intelligence and expert knowledge