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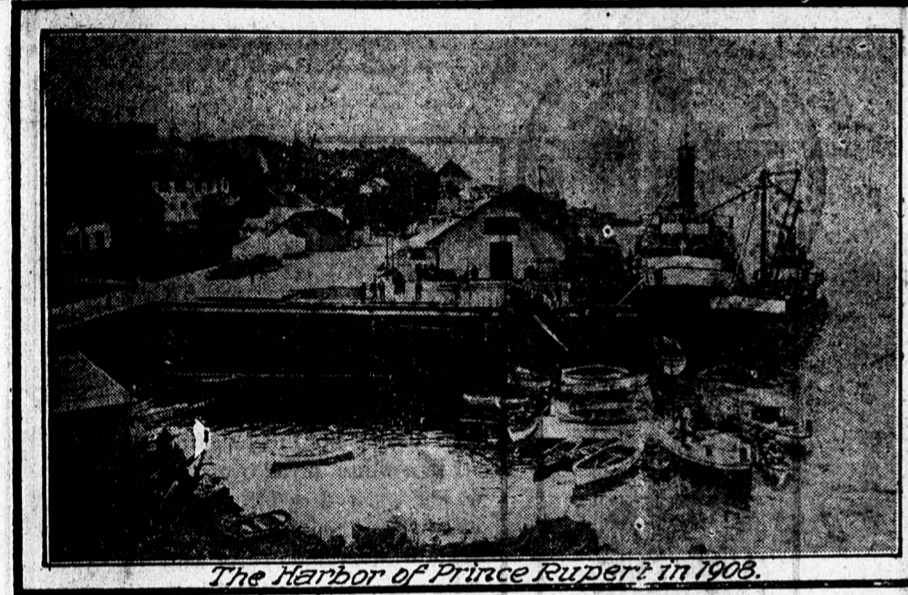
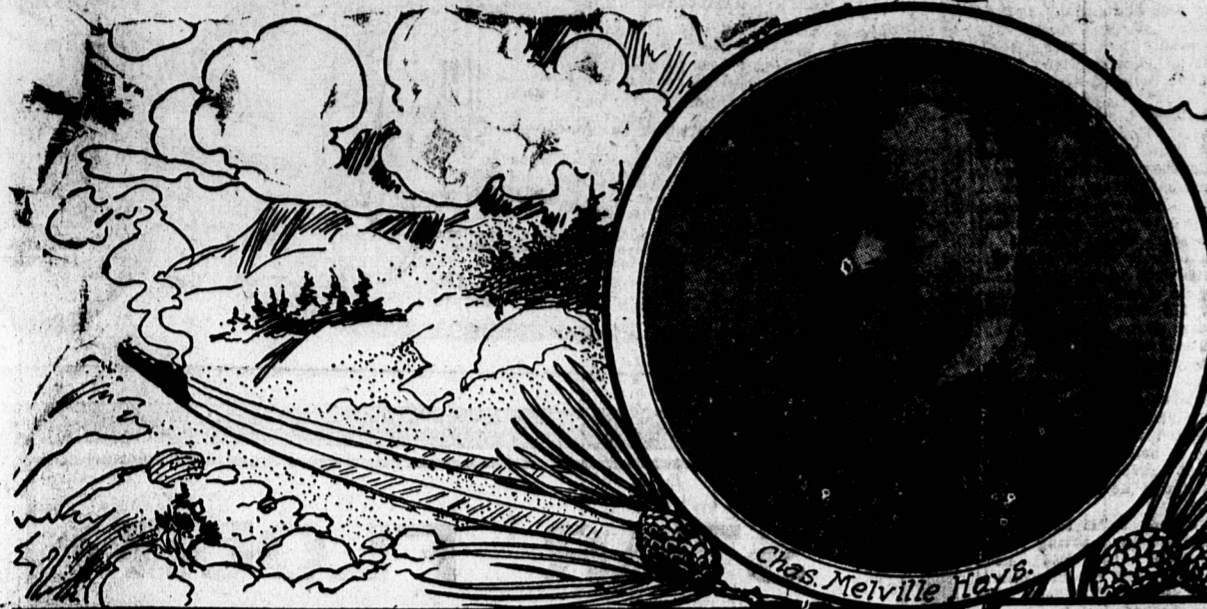
THE CHARLOTTETOWN GUARDIAN

MORNING Daily Catches All Early Morning Mails.

MORNING DAILY FOUNDED 1836 WEEKLY (NOW RURAL DAILY) 1887

CHARLOTTETOWN, PRINCE EDWARD ISLAND CANADA, SATURDAY, SEPTEMBER 4, 1909.

20c A MONTH BY MAIL IN ADVANCE \$2.00 PER YEAR BY MAIL IN ADVANCE



TO the master mind of Charles Melville Hays, a man who had a thorough grounding in the operation of large railroad corporations before he set foot on Canadian soil, belongs for the most part the credit of building up a great railroad property from a losing proposition to the position of a dividend payer.

It is now going on thirteen years since Mr. Hays first took hold of the road and commenced a task which offered many obstacles. However, it required the space of but one year for him to turn the tide, and this was not accomplished by any cheese-paring policy. He has worked from the start upon the lines of expansion, and through his undaunted efforts, Canada will soon have another transcontinental road, extending from Moncton in New Brunswick to Prince Rupert in British Columbia.

Facts and figures will do more to show what Mr. Hays has accomplished better than columns of laudation. When it is considered that New Year's Day, 1896, showed a deficit of approximately \$1,500,000, and that on December 31, 1897, saw the shareholders of the company paid \$1,352,738 on dividends, a fair estimate of the ability of the new general manager to accomplish something may be arrived at.

And this was no mere flash in the pan. Profits have come as regular as the years to the shareholders ever since, each year's return on the investment in this company's shares being larger than the previous one.

RETURNED TO CANADA.
Before proceeding to delve into the figures that tell the history of the wonderful development it might be as well to state that Mr. Hays was not at the head of affairs all the time from 1896 up to the present. He was tempted away from Canada to the Southern Pacific Railroad, but he worried of the new surroundings in a year and returned to the Canadian road in 1900. During his absence, an old and tried official Mr. George Reeve, filled the position of General Manager, but he was a man who had already retired to a life of ease and when the opportunity presented itself he stepped down and out again to make room for the return of Mr. Hays. Mr. Reeve is now growing oranges in California.

of \$7,712,072, the whole aggregating \$52,963,748.

SOME INCREASES.
In 1907 freight trainloads were exactly 50.79 per cent. heavier than they were in 1897; passenger traffic was 71.1 per cent. greater in 1907 than in 1897; locomotives were hauling 83.6 per cent. greater loads in 1907 than in 1897, while the tonnage capacity of the freight cars of the road was 80.1 per cent. greater than in 1896.

Canada had not come into her own back in 1896, but the Rising Sun of the Dominion was "weeping over the horizon" and Mr. Hays saw it. He went ahead in the dull season and practically rebuilt his road, spending \$12,154,95 per cent. of the system in betterments and maintenance to be able to care for the rush when the awakening of Canada's greatness should dawn and stir her people to commercial activity.

INCREASE IN DIVIDENDS.
For the twelve years prior to 1896, the total dividends paid to shareholders aggregated \$8,650,160; the dividends paid during the twelve years from January 1, 1896, to December 31, 1907, aggregated \$21,162,056—244.7 per cent. greater since Mr. Hays took control of the management of the system than in the same period before. And this despite the heavy expenditures for improvements.

The amount charged to capital during the period between 1896 and 1907 for improvements was but \$17,671,927, of which \$2,174,507 was for additional terminal facilities; \$9,256,416 for permanent betterments and \$6,250,000 for new rolling stock. The rest of the money was made at the cost of revenue. In the same time the payroll grew 33.3 per cent.—a considerable proportion of which was due to increased rates of pay to both skilled and unskilled labor—averaging about 25 per cent. higher in 1907 than in 1896.

proximately 7,700,000 miles to have carried for the tonnage carried one mile—2,007,000,000 tons—upon the basis of the figures for 1897. Figured on the basis of average net expense per train mile for the year of 1907, of \$1.10, this would have added something like \$8,470,000 to the expense account.

CREDIT ALMOST IMPREGNABLE.
Without those new bridges, without those 100-pound rails which replaced the 70-pound rails, which were torn up and without the new heavy rolling stock which was purchased in harmony with the new policy, it would have been impossible to have increased the haulage of the locomotives in the freight service 83.6 per cent. and to have raised the tonnage capacity of the freight cars 80.1 per cent. above the records of 1896, which kept the working expenses down to a minimum.

And what has been the effect of the policy of Mr. Hays as regards the road in the financial world. It is that its credit has become almost impregnable. When a transportation company can issue debentures against the securities owned by it and bearing but 4 per cent. interest, its credit is excellent, and when it is understood that those debentures are the equivalent of promissory notes—without any mortgage lien on the property—it is more evidently marvellous. For this is the kind of securities the company has been using to finance its projects.

FED THE MAIN LINE.
How did Mr. Hays go about his task in accomplishing this wonderful reversal? It is a question which naturally suggests itself. Simply by getting after the business and feeding the main line. By building and operating ferry lines across the rivers and Great Lakes dead ends have been done away with, and the very branch lines which showed deficits in the past have become dividend earners. Tonnage has been drawn from Northern New York, Toledo, Milwaukee and other Lake ports because of these ferries, justifying the confidence of the management in the expenditure of the money to establish these connecting links between fertile tonnage points and the main artery of the Grand Trunk system.

So much for the past; but what of the future. There has been no marking time up to the present juncture, and the prospects of anything of the nature do not appear on the horizon of time. New business is being tapped and counting on the tonnage and earnings of the system. Before another transportation era has passed the new industries alone will have enough tonnage to warrant the payment of respectable dividends, and it is business which cannot be readily taken away from the Hays system by competition, on which they will soon have the long haul clear across the prairies of the Northwest and across the continent,

upon the completion of the Grand Trunk Pacific.

CAME AS A SURPRISE.
This latter road is distinct from the Grand Trunk Railway, being constructed under a special charter, and Mr. Hays is its president. When this project was first announced it came as a complete surprise. The news first became known in Montreal on a Saturday afternoon after the papers had completed the run on their editions. A copy of the announcement was handed to a railway reporter on the distinct understanding that it was not to be used until Monday morning. It was used by the reporter that afternoon as a theme for interviewing Sir Thomas Shaughnessy, president of the Canadian Pacific Railway Company, how, ever, who it may be stated was taken off his guard, but it did not get to the public until Monday, appearing on the side of the Atlantic simultaneously with the news in London. So close was it kept that the Montreal Sunday paper did not have an inkling of it.

It was a great piece of news, but was somewhat dumbfounding to the public. Mr. Hays, however, had the whole matter pretty well thought out, and if all goes well it is predicted that trains will be running from coast to coast in 1911.

"The Atlantic to the Pacific—all the way in Canada—route" will connect with the parent system at a point in the Province of Ontario. A subsidiary company, incorporated by the Act of Parliament in 1906 and known as the Grand Trunk Pacific Branch Lines Company, is authorized to issue capital stock to the value of \$50,000,000 for the construction of feeders. The Dominion charter of the company authorizes the construction of twenty branch lines with an aggregate of 5,000 miles to feed the parent corporation, and construction will commence during the coming season upon branches to Regina, Yorkton, Prince Albert, Battleford and Chatham, in accordance with arrangements consummated with the provincial governments of Saskatchewan and Alberta.

ISSUANCE OF BONDS.
Authority is given the company to issue bonds, debentures or other securities aggregating about \$40,000 per mile of road under actual construction or such construction as is contracted for. The security for such loan issues are limited to the franchise rights, property assets or both as described in the mortgage covering each separate issue.

The agreements between the company and the government providing for this new transcontinental railway are of a twofold character. Which when carried out will combine a railway constructed at the expense of the government, with the lines of a private corporation, into one system, under the entire control, management and operation of the company.

British Columbia, near the Alaska boundary, will be the western terminus, which site was chosen coincident with the selection of the route through the Rocky Mountains.

MANY DIFFICULTIES PRESENTED.
At the outset the project presented many difficulties, as the British Columbia Coast does not possess many favorable harbors, and it therefore became necessary for the Company's harbor engineers to explore and examine the coast with the object of ascertaining the location best suited for the purpose. The point selected, namely, Prince Rupert, is situated within fifty miles of the southern extremity of Alaska and is reached from the Pacific Ocean via Dixon Entrance and Brown Passage. Prince Rupert harbor possesses one of the greatest advantages to ocean shipping that can be found along the entire Pacific Coast. It has a direct channel passage leading into it of more than half a mile in width and is sufficient in extent to accommodate enormous shipping. Mr. P. M. Brett, Dominion Government Inspector of Agencies, who made the trip up the British Columbia coast by steamer from Victoria to Skagway, Alaska, thus describes it in the Victoria Daily Colonist of October 6, 1908: "It is certainly the most picturesque country one could imagine. We were delighted and surprised at its grandeur, it is like several Norways in one wonderful panorama. Among many other changes for the better that I noticed was that of the improved conditions of travel. The boat in which we made the trip was commodious and comfortable, luxuriously fitted with the latest improvements, with the additional recommendation of good cuisine and attendance, a good sea boat, a genial commander and pleasant and capable officers. We enjoyed the trip immensely, and were fortunate enough to have, as fellow passenger, Mr. Hays. We had thus the chance to visit Prince Rupert. In my opinion it is an ideal location for the terminus, and the harbor is unsurpassed on the coast. At present the hydrographic survey is still incomplete and mariners enter for the first time with natural caution, but once having made the entrance they say that they would have no fear about entering any time. While we were there the weather was very stormy, with a nasty sea running outside. Inside, however, it was perfectly calm, the position being well protected from the prevailing winds."

ROOM FOR GREAT CITY.
"Certainly," continued Mr. Brett, "there is room there for a great city, and Digby Island would make an ideal suburb or summer resort. Communication would have to be by ferry, I think, though the dividing passage is not narrow and the distance short; not greater than between Vancouver and Vancouver City, if as fast; it would be practically a part of the city."

There is plenty of activity in evidence at Prince Rupert; houses for the engineers are being rapidly constructed, and gangs of men are busy clearing land for the townsite. Already there is a very serviceable wharf, and everything seems to point to quick development.

Probably never before has there been so much money and time expended in the planning of a new city as has been devoted to the preliminary work at Prince Rupert, not only by the railway company, but by the Dominion and Provincial Governments as well. This work was commenced in May, 1908, when the company's staff of engineers made a landing and clearing for the location of their camp preparatory to

making the preliminary survey, since which time the work of surveying and clearing has been carried on continuously, with the result that a complete topographical survey has been made of all lands comprised in the townsite covering an area of 2,000 acres, and great care was taken with this work on account of the important bearing it would have upon the final laying out of streets, etc.

The Dominion Government Hydrographic Survey has made a complete survey of Prince Rupert Harbor and approaches, which shows that the entire harbor from the entrance to the extreme end of the upper harbor, a distance of 14 miles, is entirely free from rocks or obstructions of any kind and of a sufficient depth to afford good anchorage.

ATTRACTIVELY LAID OUT.
The townsite has been attractively laid out by a celebrated landscape architect and is now ready for location. All of this vast work is being accomplished under the guiding hand of Mr. Hays. On the second Vice-President system, he is Second Vice-President and General Manager, while on the Grand Trunk Pacific, he is the absolute head, being the president. When he first came to Canada from the Washburn Railway, he brought with him a number of men high up in railway knowledge and departmental management. Some of these are still with the road, others have drifted away, notably Mr. F. W. Morse, who recently resigned the vice-presidency and general management of the new system. He came with Mr. Hays as Superintendent of Motive Power and was gradually advanced to his high position. When he stepped out Mr. Hays had to cast about for some one to fill the position and chose Mr. E. J. Chamberlain. This gentleman had been away from railway work since the purchase of the Canada Atlantic Railway from Mr. J. R. Booth, the millionaire lumberman of Ottawa, by the Grand Trunk Company. He had been manager of that road and was generally regarded as a shrewd man. He is a Vermont, but most of his experience has been acquired in Canada.

It is but little over half a century since a Congressional Commission, sitting in Chicago, declared that the State of Illinois marked the northern limit of the profitable wheat growing area of this continent. In spite of this the little pink bread-berry spread northward west to Minnesota, the Dakotas, crawled up the Red River of the north, to Portage Plains, spread over Saskatchewan to Alberta, where the miller came into competition with the flour of the Peace River, and where, not having heard of the Chicago Commission, men had been sowing and reaping for a generation or more.

WAS THOUGHT IMPRACTICABLE.
Fifty years ago, when the United States were seeking a possible rail route to the Pacific, the Northern Pacific route was put aside with scant consideration as being impracticable, owing to its northerly location. The same argument delayed for years the construction of Canada's first transcontinental line, but now we know more of the north country.

Every traveler and explorer who goes into the far north comes out with new stories of that much maligned land until their song of praise swells into a sublime chorus, compelling us by the mere preponderance of evidence to listen and to learn.

Only recently, before the Royal Geographical Society in London, Mr. A. Harrison told some startling stories of the Northwest. He had been in search of an Arctic continent but had travelled for the most part through a land of green fields and running brooks. The fields were unworked and "the sun"

to be sure, but wherever he found a Hudson's Bay Post, a mission or the habitation of man, there he found vegetables such as are grown in one's garden at home, wheat and barley, marsh grass on the moorlands, and bunch grass on the plateaus. He found much valuable timber, and endless indication of coal and oil. He suggests a railway from Edmonton north to the Athabasca, another from Prince Albert to Fort McMurray, and a third to the Peace River, which would open a waterway 600 miles to Great Slave Lake.

Far-reaching as is the importance and influence of this great railroad in the development of the resources of the Dominion of Canada, it will be felt in an equally large degree by its formation of the shortest route between Europe and Asia, as, following the completion of the railway, will be the necessity for providing lines of steamships on the Atlantic and Pacific Oceans for taking care of the export and import traffic. The distance between the countries named will be shortened by two days' sail, this being made possible by the location of the Pacific terminus so much northerly of an existing port, thereby reducing the Pacific Ocean mileage, and with respect to the trans-Pacific trade, thus establishing at Prince Rupert a new entrepot for round the world commerce.

TOUR OF INSPECTION.
Mr. Chamberlain a few days ago completed a tour of inspection of the new transcontinental line, which was his initial duty after taking command. In referring to his observations he said that no one could visit Prince Rupert without realizing the wisdom of the choice as to the port on the western coast, as all would admit its excellence as a harbor. The contractors had had 2,500 men engaged, and in order to have the section ready for track-laying by midsummer some 1,500 additional men will be put on the work. In fact many new men, Mr. Chamberlain said, were now leaving the southern ports in order to swell the little army of workers on the first section, stretching along the Skeena River 100 miles from the mouth. The second section, extending inland 140 miles further, would, he stated, probably be put under contract by Dominion Day, although the first intention was not to have this given out to the contractors until September. He said, however, that progress had been more rapid than at first supposed, consequently it now looks as if by the early fall a good deal of steel would be laid on the Pacific section, while the following section of 140 miles would be well covered by men and teams.

He is also delighted with the road as a scenic route, for the reason that for 150 miles the rails will hug the river, presenting the most beautiful scenery, with towering mountains on each side. The rails are on route in sufficient quantities to lay the first 100 miles, and this work, together with the ballasting, will be done by the company itself. Every bridge between Winnipeg and Edmonton has been completed, and the track is now being laid on the last 50 miles, which will settle the one gap between the capitals of Manitoba and Alberta. This work, however, will be pushed rapidly, and Mr. Chamberlain says there is little doubt as to the road being completed by June from the Red River to the Saskatchewan.

BUILDING OF FEEDERS.
An important announcement made by him was that besides a very energetic construction policy on the main line, they would build during the coming summer some 200 miles of branches in the two provinces of Alberta and Saskatchewan; and not only would these 200 miles be undertaken, but they would most likely be completed and carrying freight and passengers by the coming fall. These lines would be built north and south from the main line, north from Regina and south from Wainwright, in the direction of Calgary, it being of the utmost importance that the main line should be provided with a certain number of feeders and the district into which new settlers are pouring be provided with the necessary railway facilities.

Regarding the gap in the mountain section, Mr. Chamberlain says that in west of Edmonton would be given out to contract. At the present time the second section of 130 miles immediately west of Edmonton is about completed, and then a second contract will be given out, leaving a gap of about 400 miles, all of which is located, save about 50 miles, and this will be completed in a very short time. The greatest care possible, he says, is being taken to secure a good location, and once this is done the road built will be of the best possible kind. All possible energy is being displayed by the company in order to bring these several western sections to completion. Supplies and material are being hurried forward from the South and with 4,000 men working out from their base at Prince Rupert, the Grand Trunk Pacific's western section will be a very busy one during the coming season. He says that from Winnipeg to Wainwright the road is in very good condition, and all the important station buildings are being put up, there being no fewer than 50 under construction. Fields were unworked and "the sun"