

Editorial

The problem of industrial and economic adjustment which will confront us after the war, must ever be in the minds of the leaders of the Nation and it is by no means too early to formulate definite plans for solving this question, no matter how long the war may yet go on. Several of the large dailies throughout the Dominion have lately given this matter serious thought. Amongst them, the Toronto Star has drawn attention to the possibilities which Northern Ontario presents in the pursuit of a comprehensive policy of dealing with the forest lands and in the employing of a large force in opening up and comfortably settling new townships in this North Country.

A good beginning has already been made in the settlement of returned soldiers at Kapuskasing and decidedly there is no lack of chances of extending this policy for any want of townships adjoining the Canadian Government Railway between Cochrane and Winnipeg, to settle thousands upon thousands when the war industries close their doors, leaving great numbers of unemployed and an army of near half a million men is to be disbanded.

But the Star certainly missed an opportunity when, in advocating a policy of dealing with the forest lands and of settling new townships around here, it did not come out strongly for the extension of the T. & N. O. Railway to James Bay.

"On to the Bay" was the slogan which as far back as 1911 took hold of our visitors from the southern parts of Ontario and brought forth a resolution passed unanimously at a subsequent meeting of the Ontario Associated Boards of Trade, urging the Provincial Government to extend the T. & N. O. Railway immediately to James Bay. And as our Premier, Sir William Hearst, at that time voiced the feeling of the meeting "This would be for the benefit, not for the people living in that portion of the Province alone, but for the advantage of the whole of Ontario."

Surveys for the proposed extension have meanwhile been practically completed and everything was ready to begin actual work on this line when the war commenced and imposed rigid retrenchment.

This extension is in reality the missing link in the transformation of this great hinterland of the Province from a wilderness into an integral part of the most productive area of the Dominion. While numerous townships are only waiting to be settled all along the line of the Transcontinental Railway, west of Cochrane, it must not be overlooked that a more rapid and intense settlement policy should take the way from South to North. It is unquestionably due to the extension of the T. & N. O. from Englehart to Cochrane that the climatic changes during the last few years in the Agricultural portion of Temiskaming between New Liskeard and Englehart must be attributed. Equally it must be conceded that any settlements along the Transcontinental railway, running as it does in almost a straight line from east to west, will remain more or less subject to the rigors of an advanced northern climate until the lands further north are opened up. The extension of the T. & N. O. from Cochrane and the Algoma Central from Hearst will be the means

of opening this further north country and this development between the Transcontinental and James Bay will undoubtedly make for more pronounced moderation of climatic conditions around here than any number of settlements on the line from east to west, besides which it would provide the necessary feeders for the great transcontinental railway.

Dr. Cooke of the Geological Department in Ottawa, who passed through Cochrane in the Summer of 1915 on his way from James Bay, in an interview given at that time, said of the lands further north:

"For 200 miles north of the Transcontinental the clay belt extends with the same dense covering of spruce and jack pine as around Cochrane, the Broadback River being practically the limit of the belt. The timber in places small, is nevertheless well fitted for pulp wood. For a distance of 100 miles the land falls rapidly towards the sea, causing plenty of falls and rapids, generating unlimited waterpowers, thus indicating the enormous possibilities of pulp and paper industries in the far North. Besides, all this vast territory shows great possibilities for agricultural development, in fact the climatic conditions around James Bay are more favorable to crops than those around Cochrane at the present time."

The actual taking over of the Canadian Northern by the Government is of paramount interest to all the municipalities along the Interoceanic and Transcontinental railways. The establishment of the new Board is, as has been intimated, more or less of a temporary expedient for the operation of the system, pending the final solution of the whole nationalization problem. For the present the operation of the Interoceanic and the National Transcontinental will continue under the same control as at present. Meanwhile the Canadian Northern System will be operated by the new Board representing the new Canadian Northern Company as a separate business entity, removed from the active direction and influence of the Railway Department, but subject, nevertheless, to the final arbitrament of the Government in questions of finance or policy.

From the ready acquiescence in the Government ownership of the Canadian Northern on the part of the principal cities like Winnipeg, Toronto and Montreal and all the other cities and towns along its rails, we take it for granted that no change will take place in assessment of Canadian Northern property by the municipalities affected and that they will continue to levy taxes on this property for municipal purposes as heretofore.

If nationalization of the different previously privately owned railway systems would carry with it the exemption from municipal taxation of all such railway property affected, the Government would build up such a formidable opposition to nationalization from one end of the country to the other, as to defeat its object. But if exemption is not demanded of such Government owned railway property as has formerly been controlled by private interests and it remains amenable to taxation, is it fair or just that the Interoceanic and National Transcontinental should expect to perpetuate exemption from municipal taxation, merely because they always have been exempted.

In the pertinent case of our own town it means that for the last six years at least the exempted railway property, both National Transcontinental and T. & N. O., has amounted to approximately half a million dollars every year which at an average tax rate during these years of say 35 mills would have brought into the municipal treasury a yearly tax of \$17,500.00 if these railways had been privately controlled systems. For the past six years this would have aggregated \$105,000 which is equal to nearly half of the total debenture debt of the town of Cochrane, or in other words it would have meant a saving

of some 10 mills in the annual tax rate for the so sorely overburdened taxpayer in town.

The time for an adjustment has come when this matter of exempting Government railway property should be thoroughly thrashed out in Parliament and justice be done to those municipalities who have in the past suffered so severely under it. Why should the town of Cochrane be obliged to absorb the total taxes on the railway property within its municipalities when the whole Dominion shares in the taxes paid on Canadian Northern property, also Government owned?