

May, 1949 - Number 40

The Upper Canada Railway Society will hold the last regular meeting of the 1948-49 on the Fourth Friday of this month, that is, May 27th, in Room 486, Toronto Union Station. Because of the fact that this will be the last meeting until the new season opens in September, all members are requested to make every possible effort to attend; the attendance at the May 1948 meeting was rather discouraging, and it is hoped that a recurrence of this situation will not be the case.

A very interesting programme is scheduled for this meetings: it will take the form of a question and answer discussion similar to the plan followed in the February meeting on the TTC. A general topic, the steam railways of Canada, will be the one for the May meeting - a board of answering experts has been chosen and a lively and educational programme is to be expected.

THE QUESTION OF LOW FREIGHT RATES

At a recent address before the Canadian Industrial Traffic League, Mr. P. C. Armstrong, Economic Consultant of the Canadian Pacific Railway summed up very well the railways' current attitude toward the freight rate situation in Canada and gave reasons backing the position which they have taken. The substance of his remarks are as follows:

If Canadian railways were to reduce freight rates throughout the nation at the cost of slowing down the movement of goods, the true cost to the Canadian economy might be a great deal higher than it would be with rates a little more and the movement of goods a little faster. The true cheapness of transportation cannot be measured simply by defining it in terms of cost per ton of movement. Railway companies have been inhibited from undertaking urgently necessary improvements and extensions of their services to the public by the fact that there has been too much delay in permitting railway freight rates to rise comparatively with other prices.

Broadly speaking, Canadian railway freight rates have remained unchanged since they were stabilized after the First World War. In addition the pressure of a subsidized competition forced a constant process of whittling freight rates down until actual experience convinced many of the operators of highway transport that they were not going to prosper by cutthroat competition. As a result, the freight rate structure in Canada at the outbreak of the Second World War was abnormally low.

When, as a result of war conditions the government of Canada undertook to freeze all prices, the freezing was applied to railway freight rates. In this case the freezing was 100 per cent.

When price controls were removed after the war, railway freight rates had almost alone among prices in Canada shown no increase at all. The railways moved after the war, for a rate increase to offset wage and other cost increases, and after protracted hearings an increase was granted.

At once railway workers insisted on another substantial wage increase, and this coupled with the great rise in costs of materials, forced the railways to ask for another rate increase.

Even the two rate increases combined would not raise railway freight rates in Canada to the proportion in which other prices have risen, or to the levels of increases granted to railways in the United States or Britain's socialized railways. Even before the Second World War, Canada obtained the cheapest railway transportation services in the world, with the possible exception of some of the Oriental nations.

Appealing to his audience as recognized traffic experts, Mr. Armstrong asked them not to forget the part played by the railways when they (the members) are tempted by offers to move some of their traffic at rates lower than the railways can afford with the result that the railways

have to charge higher rates on the traffic which their competitors refuse to handle.

It cannot but be of benefit that Canada should be furnished with the best and most efficient transportation services, at the lowest cost consistent with efficiency.

NEW RAILWAY PROJECTS IN THE PROVINCE OF QUEBEC

Two mining railway projects of considerable interest are taking form in the heretofore remote section of the province north of the Gulf of St. Lawrence.

In recent years it has come to light that vast iron ore resources are imbedded in the Canadian Shield in the vicinity of Western Labrador, round the head of the Hamilton River. The hematite deposits in the vicinity of Burnt Creek are being developed by the Hollinger interests, and in connection with this development a large-scale railway undertaking is contemplated. This railway, the Quebec, North Shore and Labrador Railway Company, received Dominion Charter over a year ago, and the company has completed reconnaissance surveys and much of the location surveys for the approximately 360 miles of the course of the line from Seven Islands, P.Q. north to Burnt Creek. A tote road is currently being built north from Seven Islands and the final location for the railway right-of-way has been determined for 150 miles to the north.

The line will traverse rough Shield country for the first 150 miles out of Seven Islands, and will follow the valleys of the Moisie, Nipissis and Wacouana Rivers; the northerly 200 miles will be over a flatter plain with no great constructional difficulties anticipated. Between 6000 and 7000 feet of rock tunnels will be necessary on the southerly section.

It is planned to construct the line to the most modern standards with 130 pound rails, a maximum curvature of six degrees and a maximum grade of 0.2% against the current of traffic which will be southbound. The company intends to divide construction work among ten to fifteen contractors who will be serviced by air. A terminal and the repair shops for the road will be established at Seven Islands, and here also will be erected the facilities for unloading ore from freight cars into ships. Diesel locomotives will be used as motive power, and while the number to be acquired has not been decided upon, it has been calculated that 13,000 ton trains will be operated, requiring each the use of four 1500 H. P. locomotive units.

It is estimated that the railway will require four years to complete; and if financing can be successfully completed and materials obtained, construction will begin in the fall of this year.

The other project is a much smaller one, but a start has already been made upon it. This is the Romaine River Railway Company, which plans to build a 27 mile line from the ilmenite deposits (iron and titanium) in the vicinity of Lake Tio in Tetu Township southerly to Harve St. Pierre on the north shore opposite Anticosti Island and some distance east of Seven Islands, the terminal of the Quebec, North Shore and Labrador.

Construction of this line began in October 1948, and is expected to be completed by late 1950. The purpose of the railway is to carry ore southerly from the deposit (the largest body of ilmenite known in the world) to Harve St. Pierre, where it will be transferred to ships for transmission to the Quebec Iron and Titanium Corporation's proposed smelter at Sorel. The railway is a subsidiary of this company.

Fraser Brace and Company has the contract for construction of this line, of which 8½ miles of right-of-way have been thus far cleared and graded, and rail-laying should commence this spring.

The track will be laid with 100 pound relay rail Eastern jackpine ties and crushed limestone ballast; there will be a maximum grade northbound of 2% and southbound of 1½%. Included in the construction work will be three main truss bridges and several deck plate girder spans. Diesel power will be used, but the number of locomotives and cars to be acquired has not been definitely decided.

LOCOMOTIVE NOTES

By Raymond Corley

The Story of CNR 7803 - 7820: The 18 75-Ton diesel road switchers ordered by the CNR early in 1947 from the Canadian Locomotive Company for Prince Edward Island operation have been rejected by the railway. As the C. L. Company's first attempt at mass producing this form of motive power, poor judgment was shown in accepting the order without preparation or foresight of the manufacturing and supply problems.

Despite repeated delays in production, the first two locomotives were delivered April 30, 1948 far behind schedule and only five more followed by late summer. Their operational record was very bad, and the abnormal number of road failures, especially on the diesel engine, forced the CNR to return the seven locomotives to the builder in October 1948 and halt further deliveries.

Subsequent tests on a "revamped" locomotive produced seven road failures in 1785 miles; as a result, the order was cancelled outright early this year, as confirmed by Mr. R. C. Vaughan, Chairman and President of the CNR, on March 28th in a Parliamentary address. Future of the locomotives is uncertain but it is expected that an effort will be made to dispose of them elsewhere in Canada, probably to industrial roads. Meanwhile the CN has recently ordered in their place 18 70-ton standard road-switchers from the Montreal Locomotive Works.

On March 31st the first two MLW locomotives of the new 7975-7994 series were delivered to the CN. Delivery of the remaining eighteen locomotives on this order will continue until May.

The last of an order for 20 1000 H.P. diesels for the Canadian Pacific No. 7095, was delivered by the Montreal Locomotive Works, and entered service at Smiths Falls, Ontario. The same day saw the placing in service of four of these units 7090-7093, at Sudbury. The first diesels in the city, they were heralded by inaugural ceremonies attended by civic, railway and manufacturing representatives, followed by an inspection period open to the public.

CPR Number Changes: The Wells River switchers listed in the last issue as 7106-7108, have been changed to 7096-7098; the ten other switchers on order from MLW-CGE for general use in Canada will now instead be 7099-7108, instead of 7096-7105; delivery of these is expected in May and June.

The Ontario Northland Railway has on order four 1500 H.P. road switcher units for delivery this year. The first two numbers, 1300 and 1301 are to be built by Alco and are for May delivery; the other two, 1302 and 1303, are to be the first MLW built locomotives of this type and will be delivered in September. All four units will be equipped with train heat boilers for passenger train operation.

JOINT FAN-TRIP - Saturday June 25th, 1949

The Third Annual Fan Trip of the Rail Fans of the Toronto and Hamilton districts will be augmented by a contingent from Buffalo this year. Two hours at the Stratford Back Shops, and time off to view the Palmerston Roundhouse. It has been arranged to have the Special Train layover before reaching Stratford for a Picnic Lunch, and of course the usual arrangements have been made for a Real Bang-Up dinner on the return in two 40-seat diners. Complete fare including the dinner and free pop for lunch is \$5.00 from Toronto and \$4.75 from Hamilton. Only 240 can be accommodated, and we have only a few tickets left, so get your cheques in to John Griffin, 226 Bay Street, Toronto, without delay. After our allotment is gone, we do not expect to be able to get any more tickets - so - we send the tickets out as long as they last, and return the cheques of the late arrivals.