

GENERAL CORRESPONDENCE

1882 SEPT 10-20

FOLDER NO.

13-11

JAMES J. HILL PAPERS

PLEASE RETAIN
ORIGINAL ORDER

1882 - Geo Stephen as an example of railroad men's opinion of govt rate-making

Stephen to Hill Sept 10 1882

"I am ~~xx~~ anticipating a 'tussle' at Ottawa over our tariff of rates, but if the govt wish to make the rates they may as well run the road. All that is needed is firmness . . . [Says Angus and McIntyre are too soft in their govt dealings.] I mean to have my own way in this matter and will not consent to the govt saying what our rates shall be. The idea of such a thing is preposterous."

1882 - Stephen butters up
Macdonald at Cassopolis

Stephen to Hill Sept 10 1882 *from Cassopolis*

"I stayed over for a day with Sir John A Macdonald and hope did more good by so doing. I spent the whole day with him alone up to 11 p.m. . . . I hope [CPR matter] will be all put into shape immediately after he reaches Ottawa on 15th . . . I think I have thoroughly roused him to the danger of the govt not being in a position to carry out their part of the contract [transference of 10 million acres earned in the land grant].

1882 - Stephen fatuously assumes
Manitoba road will hold Manitoba
Southwestern

Stephen to Hill Sept 10 1882

Says it is reported in Canada that CPR has bought the Manitoba
Southwestern Railroad, but he tells everybody, no, it is the
Manitoba road which has bought it. He wants Manitoba to hold
it, and have CPR lease it, and meanwhile wants to get some CPR
names off the board and some Manitoba names on. Also, financing
is a problem because CPR can not issue bonds on branch lines.

1882 - Geo Stephen enthusiastic
about Manitoba stock

Geo Stephen, Cusaspical, to Hill Sept 10 1882

Seems overly enthusiastic about Manitoba stock, and has told his friends that it will go to 175, "money market or no money market." Is only sorry that he has had to sell some of his to get out of debt and to take up his CPR stock subscription. Would like to buy back all Manitoba he has sold if he could get someone to carry it for him for 6 months. But warns Hill not to breathe a word of this. "I hate the very idea of anything that would look like speculation ~~xxxxxx~~ in the stock. I neve will speculate in any stock ~~pfax~~ whose board I may be a member

1882 ~~Stephen~~
1882 ~~Stephen~~ wanted to hear
about Rogers' pass

Stephen to Hill Sept 10 1882

"Oh, what a relief it was getting your wire announcing Rogers' discovery. Everybody is pleased but the Globe [violently anti-Conservative newspaper] and it must be too, only it has not the honesty to admit it. . ."

10 Sept 1882



My dear Mr Will

Mr Stephen & I came
down here on 6th I stayed
over for a day with Mr
John & we went at
River & back & he did
me good by doing. I
spent the whole day with
him alone up to 10 pm
talked over all our affairs
especially our land matters
which

I hope will be all put into shape
^{immediately} after he reaches Ottawa on
15th. I mean not to let go of
this matter till it is finally
disposed. I think I have
thoroughly roused him
to the danger of the Govt not
being in a position to carry
out their part of the ^{contract}.
Rose helped us in this. I
have pointed out to him
that by the end of this
season we shall have

earned & be entitled to the
profits for 10 miles in acres.
& next year we shall call
for 5 miles more more.
& he now knows if the
remaining 10 are not
set apart now. there
will be no land back
as the contract calls for
to give us when we have
finished our part of
the business. It is no
use bothering you with
details, it will be time

to cry for that when I get
things fixed. I am however
much relieved by finding
him alone in earnest and
thoroughly appreciating
the urgent necessity for prompt

action. How the blessed
old road "booms" when
I was in it of the other
day. I told the boys that
the stock would go 175
before Nov - money market
or no money market.
That the increase in

[9-10-82]

N
the earnings would kind
at there in spite of everything
I am only sorry ^{there was}
to sell some of mine to
get out of debt & to buy
up ~~my~~ C. P. R. stock.
~~We have~~ we have thought
it better to buy up the
25¢ at once so that it would
be paid hereafter that we
sold the stock at 25¢ at
time when the Coy did not
need the money & so
"closed" the sale. If you
have not done so I would

advise you to do the same.
The investment returns about
15% to us. So return to the
blessed old Ry. I am trying
to make arrangements to buy
back all I have sold -
have them carried for say
6 mos. Keep this quite
to yourself. As I hate the
very idea of anything that
would look like speculation
in the stock. I never will
speculate in any stock
if a horse board I may be

a member. The earnings
are wonderful though as
greater than you and
I said they would be. On
its way the stock is
worth 200 & I would not
be a bit surprised to
see it go there, but the
indications are in favor
of a big emigration into
the west & a real spring.
I do not know
by the way
a better use you can
make of the surplus
earnings

which one does not divide,
than by using them freely to
let you through line into
2^d 1st order. Then big
earnings will have the
effect of making the
public look for good
service. You see the Globe
& other papers in London
kick them away every
about our rates as compared
with the S-F.R. & the lines
from St Paul to Chicago
but no one here needs it.
~~without~~

[9-10-82]

By the way I am in negotiation
with Nelson of Edison for
the control of the Globe
for a period whom you
know. It is simply disgusting
its unfairness to us all
& we owe Brown one for
his matched malignity.

Maxwell tells me he is
settling in satisfactorily
into his negotiations.

The Globe has it that the
C.P.R. has lost the man:
S.W. we will say no, it
is the man to be found

who is the buyer, & we shall
have to get some money
to the new bond more ^{convenient}
with the Manitoba road
than with the C.P.R. &
as to keep up appearances.

My idea is to maintain
the S.W. as an independent
organisation, to lease the
line to the C.P.R. for a
rental that will pay
6% on its bonded debt
which is fixed at ^{\$20,000}
per mile. The C.P.R.

to discontinue its S.W. branch
beyond the point of junction
with the main S.W. & to build
west as far but no further
than is necessary ^{to secure}
the land grant & issue
bonds \$20,000 to pay for
the new road. (The C.P.R.
cannot issue bonds on
branch lines) I think
\$20,000 per mile on ^{the old}
& the parties get the built
together would clear us
and

Mr. Dean: S.W. Co (ourselves)
would leave the lands
for their trouble. What
do you think of this plan?
which you will see we
must ~~keep~~ strictly to
ourselves till we can
get hold of the stock held
by Schoonly & others.

Vanhorne is busy ^{catching}
hold down here. I shall
be with him on Thursday
by that time he will
know pretty well how

[9-10-82]

W/ matters stand in the East
I will be ready & willing
to do him all I can in
helping anything & everything
not right, as it should be.
I am anticipating a "tumble"
at Ottawa a once over tariff
of rates, but if the Govt. wish
to make the rates they may
as well run the road.
All that is needed is
firmness. The worst feature
in the case is the yielding
tendency of both Rogers
& the "Settlers" neither of
whom appreciate the

importance of having this matter
right at the start, I mean to
have my own way in this
matter & with out consent
to the Govt saying what
our rates shall be. The
idea of such a thing is
repulsive to me.

I am an effort is being
made to do business on
the Thunder Bay branch
on 15. The Govt would
much prefer the ^{entire} ~~entire~~
shorter line which ^{carries} ~~carries~~
to

finishing the work of construction
they ~~may~~ not think it politic
to say so. Had I not been
interested in the Acum-toke
road. I would have ~~opposed~~
the opening of the T.B. line
before it was ready to go.
But if I did that it would be
said at once that we kept
it back in the interest of
the Acum-toke road.

When you get time ^{and}
are in "screw" of some
kind tell me how you are
getting on with all yours

affairs. How far in
Sage was. I send you
a little scrap for Col. Smith
about the Feather bridge
it may interest the Col.

News: Stock ~~is~~ falling at
60 two days ago. Kennedy
people told me that the
market was sustained
by buying from Montreal
& Toronto. There are about
10,000 shares, held in
Montreal. I always
said it would be so

[9-10-92]

67
have having it ^{just} then.
It has become one of the
most active stocks & the
Brokers like. Everybody
has made money by it
& they all ^{but} will do good
towards it. I think of
getting it ^{just} in ^{London}
it will cost nothing.
& we have now a good
many large holders
there - investors,

Ramsay has got my
farm as you may have

I think he will be a good
sample to have of them
at all events he will
be a great improvement
on poor Willie & myself
I am told he has got a
real bargain - & so I
am glad of it.

I hope the object of the
recent change will be to
secure more leisure and
liberty for yourself &
that you will so arrange

in matters that you will
be free to go & come as
you like. No use any
one killing himself for
the sake of a living
we cannot get more
out of it - if the stock
should go 500%.

As soon as I can get
things squared at Ottawa
I will start for my
last trip of the season
to the N.W.

to see the Bishop & to find
out how near he can
take me to the
Saskatchewan.

Oh what relief it
was telling you ^{was}
announcing Roger ^{Success}.

Everybody is pleased
but the Slobs, and it
must be too, ^{if} ~~they~~
have not the honesty to
admit it. My kind
regards to Mrs. Wells and
all the children.

Very truly
yours
S. J. May



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