



Stephen, George

May 11, 1886


Hill to Sir George

The [railroad & warehouse] commissioners have requested the Minnesota roads to reduce their rates on grain. Ours were the lowest,"so that before our turn comes the other roads will have to reform their present tariffs. Gault[sic]'s line will be one 'for carrying coals to Newcastle' since ~~none~~ one of the largest coal fields in the Northwest is located just south of [Ft.] Benton... The field is a very extensive one, and the vein from ten to eighteen feet thick of good coal. His road would have nothing to carry. There is a local road  called the Montana Central, being built that will supply that whole

country with coal between Benton and Helena at prices not to exceed  what Mr. Gault would require to give him coal.

"I enclose you a map showing a new line projected by Gen. Washburn, running from Anoka to Glenwood, to be built this year, and the intention is to extend it northwest by the way of Campbell to the Jim [James?] River Valley in Dakota with a branch anywhere in the Red River valley that will give them business. It is not our intention to spend any money to head them off south of Glenwood for the reason that the road cannot earn operating expenses but we will probably build the west end, or, at least a part of the line they propose to occupy. Mr. Washburn's friends report that they borrowed the money for the Sault St. Marie road and this

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enterprise from the Bank of Montreal. They were
in the market for a year or more in New York &
Boston but did not succeed for the reason that
no one considered their enterprise worth the
investment." Will you & [Donald] Smith as dir-
ectors of the Manitoba Road ascertain if pos-
sible & advise me whether this is true." It
would hardly seem possible that the Bank of Mont
real would loan money for this enterprise on
its own merits. We have no controversy with the
Sault road, but when they undertake to build
into territory served by our lines, it becomes
this Company to take whatever steps are necess-
ary to prevent the success of their enterprise
...The whole country southwest of us is making
every effort to secure an outlet to Duluth, and

Chicago lines are in a fair way to either give up ~~the~~ business or be  elled to reduce their rates nearly one-half."

JJH LetterBook, 3/22/86 - 10/22/86, p. 209