

has made his farm implements and sends them to Winnipeg or Edmonton, another freight rate is paid, the rate being increased on account of the additional material that enters into the product. Therefore, every time that the article is shipped from the time it originally leaves the mine until as a manufactured article it reaches the consumer or final user, there is an increase in freight rates. Therefore, an increase of freight rates of another 25 per cent would at once increase the price of the farm implement or other manufactured article in the same proportion.

National railways we have and National railways we wish to keep. But in certain quarters there is a fear that, after we have increased the rates from year to year and made them so that a private company can make millions and come back as conquerors of the people, after our national railroads have been improved and better equipped through Parliament's yearly votes of money—which I am willing to vote to the Minister of Railways—it may be that those old railroad magnates who are still living in the country may possibly decide that they will seek to take back these railroads and run them for their own benefits.

In this connection the Minister of Railways (Mr. Reid) with his usual good will, I hope, will permit me to make some suggestions which are, perhaps, not all of my own creation, but which are in the public mind of the people of the Maritime Provinces and, no doubt, of other districts of our extensive country. The minister has spoken to-day of the personnel of the commission; he has spoken of Mr. Hanna, against whom I have nothing to say. I had occasion once in my life to meet him with some of my colleagues, and he was very courteous on that occasion, but that is all I know of him except that nothing resulted from our suggestions. I will, however, make the same suggestion to any one who is on that commission. When the commission was created and the personnel was to be chosen, the then hon. member for Kamouraska, now the hon. member for Quebec East (Mr. Lapointe) suggested that on that commission there should be at least one man or two from the ranks of labour to represent the labour element and to give the benefit of their experience in the management of the railway. That suggestion was treated with scorn by the Minister of the Interior (Mr. Meighen) who was in charge of the Bill at that time. No labour representative has been put on the commission, and after a year's experience, we have the re-

sult of \$47,000,000 of a deficit. There were many reasons for the suggestion of my hon. friend (Mr. Lapointe) that labour should be represented, one idea being not only for the sake of representation as a matter of pride, but in order that the benefit of the experience of the labour representative in the management more particularly of labour should be given to the administration. The Minister of Railways, when he made his statement and showed the conditions and reasons for that deficit, attributed it all to the increase in wages, and he told us that out of every dollar spent for administration during the year 84 cents went for labour. The Canadian Pacific, in making a report, gave the amount of their labour cost at 77 per cent. Who knows if one of the labour element on the railway, with his experience, more particularly of labour, knowing where it can be of best service and how to save money from day to day and from hour to hour during the day, would have been the author of a saving of millions of dollars by the proper distribution of labour which, under incompetent management, is often used with no results? That, no doubt, was the reason for the suggestion of my hon. friend (Mr. Lapointe), and it was the idea which animated me when I voted for his motion at that time. It has already been confirmed by great railway authorities who have been studying the railway problem in the United States, when a year or so ago the United States Government were considering whether they should return the railroads to private corporations or keep them under their own operation. In this connection I wish to quote from a report made by one of the members of the Interstate Commerce Commission of the United States, and which was published in *The Annals of the American Academy of Political and Social Science* in the month of November last, just a few months after my hon. friend from Quebec East had made his suggestion to this Government. I quote from page 86 of that report:

At present the labour question is a most important phase of the railroad problem. Industrial warfare upon the railroads spells ruin. It is more than a question of strikes. Every one knows that the country cannot long endure a stoppage in its transportation arteries, but not every one realizes how closely the furnishing of good service at reasonable rates is bound up with loyal co-operation between the men and the management. It is but one aspect of the question which is agitating the whole world at the present time, how to secure whole-hearted, willing work and increase production. Labour is fast coming to realize that increases in wages may not of themselves achieve desired results.