

equal. That is my firm belief. No matter which party of us is in opposition, we do belabour the Government politically with respect to the administration of this utility. That has been the history to date. I mention it merely in order that in this time of great difficulty we may all look at it in a different fashion.

There is no subject upon which, in the interests of Canada, we require more heart searching than in regard to statements we make with regard to our great public-owned utility.

That may be termed an honest, but certainly it is a very unfortunate apology for a Minister of Finance to have to make. He had been severely criticized for what many members of the other House considered was an extravagant expenditure, unwarranted from every standpoint.

As I have said, I was disappointed with the results of the committee's work this session. Perhaps the very fact that the situation to which I have referred arose during an election campaign in Montreal embarrassed those members of the committee who would naturally support the Government, and placed them in such a position that it became virtually impossible for the committee to secure evidence of value with respect to the Montreal terminal. I brought the question up in the committee, and I was told, "You are not going to be allowed to poke your nose into the Montreal terminal." I resented that expression at the time, and I still dislike it. If there was any purpose at all in appointing the committee, it was surely to inquire into the best means of relieving the taxpayer, to some extent at least, of the heavy burden of taxation due to recurring railway deficits. If the spending of millions of dollars on a passenger terminal in the city of Montreal was not a fit subject for discussion before our committee, then I have no hesitation in saying that we had no right to be there at all. When that intimation was given I lost interest in the proceedings, for I felt it was useless to proceed to discuss further economies in railway operation once the political element was allowed to influence the Canadian National management.

Hon. Mr. LACASSE: I should like to ask the honourable member to name the man who gave him that warning.

Hon. Mr. BLACK: What warning?

Hon. Mr. LACASSE: "You will not be allowed to poke your nose into this Montreal terminal." I should be interested to know whether he was told that by a man opposed to any improvements there.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. BLACK: I would suggest that the honourable member ask his own leader. He will doubtless get direct information there.

Hon. Mr. BLACK.

Right Hon. Mr. MEIGHEN: That is where you got it.

Hon. Mr. LACASSE: That changes the aspect altogether.

Hon. Mr. BLACK: The honourable gentleman can go right to the source of information. I cannot give him a more direct answer than that.

I do not want to make this a party question at all, but I do think it is my duty to call attention to what I regard as a most serious situation in relation to the control of our railways. I refer to the practice of bringing politics into the question. In this respect I criticize the party to which I give allegiance, just as much as I criticize the party that sits opposite. There have been times when we have tried to get our skirts clear of the political mess, but we seem to have been dropping back into it again.

As I said before, I am not at all satisfied with what has been done in the committee this year. I have not been able to discover a solution which satisfied me. The second report presented recommends unification of management, and that is all. There is a great deal of misapprehension as to what that means. I am not going to try to explain it, because I know there are some people who continually misrepresent the facts. Others are honestly mistaken.

I see no real financial difficulty in the way of bringing these two railroads under one management. I have had a long and not altogether unsuccessful business experience, and can see no reason why there should be complications in that respect. Neither of the railways would have to endorse the bonds or notes of the other. So far as their financial obligations are concerned, they could be kept entirely separate. The great difficulty I see is of a quite different kind. It seems to me a question of whether the public have reached the stage where they are prepared to have one management for the two roads. The threat of monopoly is just a bogey; it is non-existent.

Seventy per cent of the short-haul freight is carried by motor-truck, and I am told that about eighty per cent of the short-haul passenger traffic goes by bus and private motor-car. In addition to this, long-haul freight is to an ever-increasing degree being carried by motor-truck. The highways are built by and for the public. We may say that the public should not be allowed to use them for the transportation of freight. But why not? The public, who built the highways, built also the Canadian National Railways, and if they choose to use the highways as the system which serves them best, why should they not