

people, travellers, people who control freight, ask me whether we controlled the Canadian Pacific or the Canadian Pacific controlled us. They could not discriminate between the two. We sometimes had people come into the office to buy tickets and make reservations for Banff and places of that sort. In other words, the Canadian National Railway eight or nine years ago was confronted with the problem of making the people of the North American continent, and I say the North American continent because a large amount of our passenger business as well as our freight business comes from the United States, our problem was the making known to the people, the clientele, that there was such a thing as the Canadian National Railways; that they had such and such to offer; that they had this and that kind of service to offer and we have not by any means completed that task.

HON. MR. EULER: Would not this meet it, Sir Henry, that if there was not competition of a very specific nature that that sum need not be expended?

SIR HENRY THORNTON: Well, there is a very severe competition, Mr. Euler, not only as between the two principal Canadian systems, but there is a competition between the railways of the United States and Canada.

HON. MR. EULER: It is a real thing.

SIR HENRY THORNTON: Undoubtedly. So your policy in respect to salesmanship has to be a matter of judgment, and our judgment has been—I say “ours” because the officers and myself are unanimous with respect to that—our policy has been a policy that is aggressive and progressive salesmanship, and everything that we do on the railway, whether the individual is connected with the traffic department or not, everything that he does finds its source, its utilitarian source in how much traffic can he assist and bring in to the railway.

HON. MR. EULER: It is hard to get that traffic because others are after it?

SIR HENRY THORNTON: Certainly, as a matter of fact by the time you get a passenger or a ton of traffic it is covered with blood from fighting for it.

HON. MR. EULER: If you do not fight for it—

SIR HENRY THORNTON: You do not get it.

THE CHAIRMAN: Are there any more questions, Mr. Hackett, in regard to this matter?

MR. HACKETT: No.

THE CHAIRMAN: You may go ahead.

MR. STEWART: Before we close I should like to make one observation in regard to a statement made in here, about the C.P.R. and taxation. I hold no brief for the C.P.R., but the C.P.R. are paying more taxes to the city of Lethbridge than any other three corporations, and it leaves an erroneous idea about the C.P.R. and taxation in Western Canada and for that reason I desire to correct the impression. To quote Dr. O. D. Skelton:—“The terms were princely for constructing some 1,900 miles of railway the syndicate were to be given free and complete the 710 miles under construction by the government, \$25,000,000 in cash and 25,000,000 acres of selected land in the fertile belt. They were promised exemption from taxes on land for 20 years after the patents were issued and on stock and other property for ever, and exemption from regulation of rates until 10 per cent had been earned per annum on the capital. Assurance was also given that no competitive road would be chartered for 20 years. Now, insofar as the province of Alberta and the western provinces are concerned, the only thing that is exempt from taxation is the main line of the C.P.R. All branch lines pay taxes and their other properties pay taxes, and, as I said before, the people who pay the most taxes in the city of Lethbridge is the C.P.R.