gentlemen will remember that we were so fearful of the difficulties confronting the Canadian National Railways that a Committee of the Senate was appointed to examine into the problem. The Canadian National had a very large deficit and we were wondering how the situation could be remedied. That Committee sat for a few weeks and heard the heads of our banking system and of our railways, and other prominent citizens, in an effort to reach a solution of the problem. We were strongly impressed by the statement that there was not enough traffic in the West, if it were equally divided between the two railway systems, to permit either of them to meet its obligations. The suggestion was made that we should try to bring them both under a single administration, without merging the two systems, each maintaining its separate entity, and this was the unanimous resolution of this Chamber, based on the conviction that competition between them would be ruinous, as there was not sufficient freight to maintain the two systems in a healthy condition. That was in April, 1925. What do we now find to be the case? We find that the pessimism which prevailed four years ago was not justified.

The remedy which was then proposed would perhaps have given very satisfactory results. I do not mean to criticize the opinions which we sought and which we shared at the time. Three or four years have passed and we see that there is enough trade not only to maintain those two railways, but to bring large returns to their treasuries. What has happened during the last three years is an indication that the most optimistic dreams for the future of Canada are quite within the bounds of realization.

Many times of late the statement has been made that all that Canada needs to increase her prosperity is immigration. This situation has presented itself to many minds from many angles. Complaints have been heard from some quarters that the British immigrant is not coming in sufficient numbers, that the foreign element is coming in too great numbers; and question has arisen as to the needs of the rural parts of the country on the one side, and the cities on the other. The problem thus presented is not an easy one to solve. The Government at the helm in Ottawa has to turn towards the provinces to ascertain their needs, and to a large extent has to follow the advice of their governments. The Government has to see that immigrants are not brought in in such numbers that they flow back from the rural sections into the towns; a constant watch must be kept that 78600-21

the needs of the country may be met as they appear. I am quite sure that this will always be a matter of controversy, because the needs of the rural sections are not the needs of the urban centres.

I have been struck repeatedly by the statement that we are not making all the efforts necessary to get British immigrants. On the other hand the statement has been made that we are spending sixteen dollars for every British immigrant to Canada, as compared with eleven cents for every foreigner who reaches our shore. During 1928 there was a total immigration into Canada of 166,782 people. Of that number 55,848 came from the United Kingdom, and 29,933 from the United States. I have examined into the racial origin of the immigrants who came to us from the United States during 1927 and 1928, and I have found that a little over 50 per cent of them were of British origin. So, in order to obtain a true estimate of the British stock that is coming to us, one must include in the British quota that 50 per cent who crossed the line from the south. Some of those people had been one or two generations on the other side, but they were all of the British family and of British stock.

The statement has frequently been made that we have exerted ourselves to bring immigrants to this country simply to replace Canadian stock which has gone to the United States. I find that this statement is not exactly in accord with the records of the Immigration Department. A statement from the Minister of Immigration shows that from 1911 to 1921 the total immigration to Canada was 1,780,868, while the census of 1921 shows a total foreign-born population in Canada of only 368,775. Apparently over 1,000,000 had left the country between 1911 and 1921.

Hon. Mr. McMEANS: Did those millions of immigrants that left the country cost us \$16 a head?

Hon. Mr. DANDURAND: My hope is that further inquiry would show that those who cost 11 cents per head were the ones who had been attracted to the other side, and that those who remained were mostly Britishers who felt more at home amongst their brethren on this side of the line.

It is interesting to find that it is far from the reality that the immigrants who came here had simply taken the place of good Canadians who had crossed over to the other side. It appears from the statement which I have just made that only a very small proportion of those who joined the procession southward were Canadians.

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