

George, by Mr. Smuts, and by Mr. Hughes, that we are a nation in every sense of the term.

We have domestic problems, the outcome of which we can more or less control; the exterior problem we cannot so much control. We have a stupendous financial burden, the greatest in the history of this country, involving an indebtedness which can only be carried by large annual outlays. We have also a very difficult railway problem. Our state-owned railroad system, one of the largest in the world, is being operated at an annual deficit of many millions. The rates are so high to-day as to thwart and stifle industry and to defeat the very object for which they were established. This railroad system—a portion of it—has been actually wished upon us; like a starved and emaciated foundling it has been left at the door of the Dominion and the Dominion must perforce take it in and, we hope, rear it and develop it to strong and healthy maturity. Private ownership as applied to much of this road, Sir, has proved to be a failure. Private ownership has laid the burden and asked that we take it up and carry it. That being the case, state ownership should be given a chance. Not for a year or two, but for a reasonable length of time, having regard to prevailing conditions, to the vastness of the project and to the failure of private ownership, state ownership should be given a reasonable opportunity to demonstrate its capacity to deal with this tremendous problem.

Those who have travelled over the state-owned road from Quebec to Edmonton must have been struck with the fact that no railway line on the American continent runs through a better, a more productive, a greater freight-yielding country. In Northern Ontario and Northern Quebec there are probably twenty million acres of fertile land, capable of producing our ordinary cereals, land which will some day be very thickly settled. It is estimated that between Edmonton and Winnipeg, within a distance of ten or twelve miles on each side of the road, there are some ten million acres of unoccupied lands; from Edmonton out to the Coast the line runs through a more or less productive region. It is said, Sir, that comparisons are odious, but one cannot help remarking, merely for the sake of illustration, that the Canadian Pacific Railroad does not run through any section of country so productive as that traversed by the old Grand Trunk Pacific and the Transcontinental.

There is a small strip of rocky land along the line of the state-owned road between the Quebec border and Edmonton, covering a distance of some three hundred miles, but even that area is more or less heavily mineralized. It is a matter of great satisfaction that in the Speech from the Throne it is stated that there will be a co-ordination of the various railroad systems making up the National Railways which will ensure better management and bring about economy in operation.

Closely connected with these two great problems, the national indebtedness and the national railroads, is the question of conditions pertaining to agriculture. Agriculture is the basic industry of Canada; in it we Canadians, speaking from the financial point of view, live and move and have our being. During the war agriculture was a paying industry, but following the termination of the war prices have fallen or have become unstabilized, through the costs of operation—of farm machinery and of labour—continue high. That has been the condition of agriculture throughout Canada. Moreover, a high tariff wall has been raised against us in the United States in the form of the Fordney Bill. In addition to that, the crops of the West last year suffered from heavy rains and there was a consequent lowering in the quality of the grain produced and in the price obtained. Agriculture in Canada to-day, therefore, is becoming an unprofitable occupation.

It was with pleasure that I heard in the Speech from the Throne, Sir, that the policy of the Liberal party of the past and as set down in their election platform was to be brought into effect as far as possible during this session, in a consideration of the tariff and a reduction as far as possible of the duties on certain commodities. The tariff operates, Sir, as a rule to the advantage of the few and to the disadvantage of the many, and the deductions to be made will be in the interests of the producer as well as of the great body of the consumers. These reductions can be made without violence, without dislocation of industry; they will be in the interests of the country as a whole.

While on the subject of agriculture, to those of us who came from Western Canada, which, after all, commands a very high place in our agricultural production, it was particularly gratifying to hear that the natural resources of the three western provinces were to be dealt with and some form of settlement effected, if possible. We of