

their part that the rates upon all goods, whether they are shipped in or shipped out, either going into or going out of any portion of the province, which is covered by the route of this railway, or any freight or merchandise which either is shipped into British Columbia over this line, or shipped out of British Columbia over this line, are to be subject to the control and supervision of the Railway Committee of the Privy Council, as is the case with other railways in Canada. To the extent of the shipment of goods from any part of Canada to British Columbia, and the shipment of goods from any part of British Columbia traversed by this line, to any part of Canada, there has been secured in the contract between the Canadian Pacific Railway and the Government, a recision of that existing ten per cent clause. From this day forward, so far as that class of merchandise between the several points is concerned, the tariff of rates shall be under the control of the Railway Committee of the Privy Council so long as that tribunal exercises control in these matters, or under the control of a commission, if a railway commission should ever be constituted for that purpose.

The Minister of Trade and Commerce also made a few remarks, some very pointed remarks, on those sections of the Crow's Nest Pass proposition, and I will read what he said :

Remember the Government of Canada are able to control the rates and everything which goes from any part of the Crow's Nest Pass to any portion of Canada, and on anything which comes from any part of Canada to any section of the Crow's Nest line. The reduction of 3 cents per 100 pounds on all the grains going eastward from Manitoba cannot be computed at less than several hundred thousand dollars a year. Now, the difference between the proposals is practically—

The hon. gentleman is referring here to the proposal which was submitted and entertained by the late Conservative Government.

—that we gave, if you choose so to call it, some \$5,000 or \$6,000 per mile to the Canadian Pacific Railway for constructing this line, and we are paying them a further sum of \$5,000 or \$6,000 in return for valuable privileges for the whole of the North-west and eastern Canada as well.

There is no doubt at all that it was the intention last year, and that it was the purpose of the Government last year to obtain complete control over the charges that could be exacted by the Canadian Pacific Railway on goods going from eastern Canada into that Kootenay country. If we have that control, there is no force in the argument that it is necessary to have another road for the purpose of getting reasonable rates. It seems to me it is tantamount to saying that we have not confidence in the Government or in ourselves to apply the powers and provisions we possess. This Parliament last year granted nearly \$4,000,000 to acquire those rights, and are hon. gentlemen now going to say that the advantages for which they gave those \$4,000,000 are of no value whatever? That is practically what

the argument amounts to. We have power to compel the Canadian Pacific Railway to give reasonable rates into that district, and if we have confidence in ourselves and in the Government that the Government will do right to the people there and in eastern Canada, we can have no hesitation in concluding that there is no necessity, so far as securing reasonable rates is concerned, for a second or competing line.

As an excuse for granting this charter it has been further asserted that it will give the Grand Trunk Railway a means of entering into that district and an opportunity of sharing in some of the trade. I do not think the Grand Trunk Railway can be very materially interested in that way. This little piece of line, some 70 miles in length, is absolutely independent of the Grand Trunk Railway, and always will be. The distance from the most westerly terminus of the Grand Trunk Railway to the beginning of this little line is over 2,000 miles. If the Grand Trunk Railway Company are to take advantage of this line, they can only do so at the whim or at the desire of the whole American railway system, and at any time the controllers of the Great Northern or the Northern Pacific, or Mr. Corbin himself, saw fit, they could prevent the Grand Trunk having running privileges over their lines, and that minute the Grand Trunk would cease to have any connection with the Kootenay district. And, Sir, there is this feature in connection with the Grand Trunk argument, which I would like to point out. If as a matter of fact the company had always an opportunity of going in there, assuming that the American railway magnates would not prevent the company from enjoying this privilege, you have to recognize the fact, and face it, that by giving the Grand Trunk means of going in there, you at the same time open the doors to every state in the Union as well as to the American system of railways: and it is just a question whether we prefer to give the Grand Trunk a little trade there or to keep the trade for our own people, because putting it in the most favourable light, the Grand Trunk can never hope to get a large volume of trade from the Kootenay country. If that be so, that the trade at the present time which goes through the United States into that country is small, and if it is a fact that it is decreasing rather than increasing, and it is a fact, then the argument in favour of granting this Bill simply because we wish to give the Grand Trunk some little advantage, falls to the ground.

There has been a sentiment also created in favour of granting this charter to Mr. Corbin on the ground, as stated, that he was the first railway promoter to go into that district and open it up. As a matter of fact his railway was not the first railway to be built in that rich Kootenay district. He undoubtedly went in there in the early days of its development, and we give him