

will see that in four or five months in the year there will be open navigation through Hudson's Bay and Davis Straits to compete against the Syndicate and prevent them from charging excessive rates. I am not afraid of monopoly, and I think that no one will say that the railway freights charged in Canada have been extortionate. The railway companies have charged rates which have never enabled them to pay a dividend. Hundreds of men in England have been ruined in consequence of investments in the Grand Trunk Railway. And yet you talk about placing the whole of this great interest under the control of two men. Why, it is preposterous; I am ashamed that such a proposition has been brought before the House at all. I have, on the whole, great confidence in the Judges of this country, and I say if they have not sufficient power, give it to them, but establish no more Courts. I appeal to the commercial men of this House to sustain me in attempting to prevent the establishment of a new Court like this, as we have already more Courts than we need. I move:

¶ That the said Bill be not now read a second time, but be read a second time this day six months.

Mr. MILLS. It is rather extraordinary to hear the hon. gentleman say that he has much more confidence in the Grand Trunk Railway Company than in the Government. He must certainly have either a very high idea of the Grand Trunk Railway Company, or he cannot have a very high idea of the Administration. I am sure that many hon. gentlemen in the House concluded, from the experience of the last two months, that his confidence in the Administration was unbounded; and if he has such extreme confidence in it, what must be the extent of the hon. gentleman's confidence in the Company? I am not going to make any observations with regard to the practical utility of an institution such as the one the hon. gentleman who introduced this Bill proposes to create. There is an advantage in bringing forward this measure. I think the discussion of it will be attended with beneficial results. In my opinion this question of the regulation of railway tolls, if not a very important question at this hour, will be the important question of the future. I do not know that this House can do itself or the companies better service than by giving some attention in the House and in the Committee to the measure which the hon. gentleman has submitted for consideration. Without expressing any opinion on the tribunal which the hon. member proposes to create, without saying whether his proposition is the best that could be submitted to the House, I beg to say that I do not think this House has any power to create a tribunal for the purpose of regulating and controlling the railways that are chartered by the various Provinces. The Local Governments and Legislatures have the power to create railway corporations, or they have not. If they have the power, they have the right to say on what conditions those corporations shall exist, what their franchises shall be; and they have the same right to regulate and control the corporations they create that the Parliament of Canada has to control those which it creates. The hon. gentleman has given to the expression "the regulations of trade and commerce," upon which he bases his authority to introduce so comprehensive a measure as that now before Parliament, a much more comprehensive meaning than, in my opinion, the provision of our constitution will warrant him in doing. If there were no other expressions in the Act relating to the subject in which he proposes to deal, there might be some ground for his contention. Let us take the case of shipping, for instance. Shipping is, in a certain sense, an instrument of commerce, yet the terms of the British North America Act do not assume that the regulation of trade and commerce by this Legislature was sufficient to enable the Parliament to legislate on the subject, though it is as much an instrument of commerce as a railway

train or a locomotive. Unless the hon. gentleman can find some other provision than this, I do not think he will find this provision is sufficient to uphold his contention. A railway train is no more an instrument of commerce than a horse and waggon, and the hon. gentleman would not say we have the right to legislate on the subject of dealing in horses and the keeping of vehicles of all sorts, simply because they may become instruments of commerce. By the construction the hon. gentleman gives to these words, we would have the right to regulate the tolls on ordinary highways, yet we know quite well we never contemplated legislating on this subject. Then, although railways are now the properties of private persons, the Government, in any Province, may make them public property by purchase, and although they were instruments of commerce, that would not authorize the Dominion Government to exercise a supervision over them, such as is proposed in this Bill. It is not done in regard to shipping. The provision in regard to commerce does not give us the right to deal with the subject of navigation. There is an express provision in the Constitution for that purpose. Why? Because the power to regulate commerce is not a power to deal with the highways of commerce, with the vehicles of commerce, or with the property in the articles which are the subject matter of commerce. I am strongly convinced that these provisions in the hon. gentleman's Bill, if they become law, would be *ultra vires*, and be disallowed in Court. I am of the opinion of the hon. Minister of Railways, that even if we had the power it would be found a very difficult matter to undertake to deal with the subject in the manner proposed without modifications in the Bill, when we consider that a large number of our railroads depend mainly on the traffic to and from the United States. Take, for instance, the Canada Southern or the Great Western. Suppose you undertook to regulate the rates of freight—and the rates are put down on the roads south of Lake Erie at a much lower rate than what you have fixed here—you would ruin those roads unless you allowed them to regulate their freights accordingly. You must take into account the condition of traffic and the regulation of freights on roads wholly outside the country, because they exercise a potent influence on the trade and commerce of the roads within our country. I shall not vote for the six months' hoist, but for the second reading of the Bill to allow it to go to the Railway Committee, but at the same time I believe those provisions relating to Provincial railways are *ultra vires*, and I vote for the second reading without committing myself to an opinion on the particular provisions the hon. gentleman has inserted in this Bill.

Mr. JONES. I am sorry to hear the hon. member for Bothwell state that he thinks that we have no right whatever to regulate the tolls of railways in this country.

Mr. MILLS. I did not say that.

Mr. JONES. I am very glad I am mistaken. The argument of the hon. gentleman in regard to the North-West railways was that we had not the right to regulate tolls, and that this Government was about to place regulations for tolls there.

Mr. MILLS. The hon. gentleman has misunderstood what I said. I said we had no right to regulate the traffic on the railways, in the manner proposed, that are chartered by the Provinces. I quite admit our right to regulate and control railways chartered by the Parliament of Canada.

Mr. JONES. I cannot go into subtleness like that. I only hope we have the right to regulate tolls, not only in the Provinces but in the whole Dominion. The hon. member for Prince Edward County (Mr. McCuaig) has said the Grand Trunk has made no money whatever—that no road in this country has paid anything to its stockholders. Why is it? Because they were built in the most extravagant