

poses. They are further directed that whenever they shall so agree they shall endeavour to provide through negotiations with the representatives of the employees affected, as part of such measure, plan or arrangement or otherwise, for a fair and reasonable apportionment as between the employees of National Railways and Pacific Railways, respectively, of such employment as may be incident to the operation of such measure, plan or arrangement.

(2) Without restricting the generality of the foregoing, any such measures, plans or arrangements may include and be effected by means of—

(a) new companies controlled by stock ownership, equitably apportioned between the companies;

(b) leases, entrusting agreements, or licences, or agreements for the pooling and division of earnings arising from the joint operation of any part or parts of freight or passenger traffic, or express, telegraph, or other operating activities or services;

(c) joint trackage, running rights, joint ownership, or joint operating agreements, depending upon the nature of the property or services included in any co-operative plan; and

(d) joint or individual highway services, or highway and railway services combined, in any form.

(3) The National Company and the Pacific Company for and on behalf as aforesaid are directed to endeavour to provide that any new company, created as in subsection two of this section referred to, shall give preference for work to employees in any services or on any works taken over by such new company.

This means very close co-operation, and I trust that if the two railways work together for the purpose of saving the situation, which, as I have said, is a most serious one, the results will be satisfactory. Yet I have heard somewhat pessimistic expressions of opinion. In the event of failure we may some day have to review the whole situation and try to find some other solution of the problem. The idea of amalgamation would be most unpleasant and unpalatable to the public, and I do not accept it myself, but we may have to reconsider the proposal for joint management which the Senate unanimously suggested to the Government in 1925.

I realize that under joint management competition would go completely by the board. Competition is generally held to be a good thing, and it has its advantages, but it is not an essential principle, though in some quarters of the country it has been held to be sacrosanct. There is one principle which is essential, and which I place above all others, namely, the welfare of Canada.

I have been in political life for thirty-five years, and can remember accompanying delegations presenting to the Prime Minister and the Minister of Railways requests for railway communication. That was a time when people from all parts of the country came and begged on their knees for branch lines to

enable them to move their products to market. I have also attended many interesting functions in connection with the opening of branch lines, and can testify to the blessings that on such occasions were bestowed upon the powers of that day for having granted railway facilities to communities that previously had been without them. What was it the people were clamouring for? They were clamouring for a railway, which they felt was their greatest need. To-day they are clamouring for two railways. They want competition. I know, of course, that in two-thirds of the country competition does not exist. Yet we hear this clamour for competition. I have no objection to competition if we can afford it, but if competition between the railways hinders the solution of our financial problems, it must be curbed.

I may say, like the right honourable gentleman, that I do not see the advantage of some of the amendments which have been made to this Bill. However, I accept them as they come, hoping that in certain particulars they may be an improvement.

Hon. JAMES MURDOCK: Honourable senators, I had not intended taking up the time of the House on this subject, but as my honourable leader has started a discussion, I should like to put myself right with respect to the amendment to section 16 which has come to us from the House of Commons. Nine words have been inserted that I, as a representative of labour for over thirty years, regard as absolutely unnecessary, and that I think may be a source of great concern to the employees of both the Canadian Pacific and the Canadian National Railways.

Before this Bill left the Senate we inserted in section 16 an amendment which read as follows:

They are further directed that whenever they shall so agree they shall endeavour to provide, as part of such measure, plan or arrangement or otherwise, for a fair and reasonable apportionment as between the employees of National Railways and Pacific Railways, respectively, of such employment as may be incident to the operation of such measure, plan or arrangement.

The reasonable supposition is that the properly qualified operating officers of the two railways would decide upon some plan or measure for co-operation involving, to a greater or less extent, the work of the employees of both lines, and that in proceeding to put that plan into effect they would be obligated to recognize the rights of the men of both lines. But the nine words now inserted provide that that must be done "through negotiations with the representatives

Hon. Mr. DANDURAND.