

weather is good. Yet the company sent out snow-plows and crews of men, and after many days of labour these were finally successful in getting the branch lines open for service. Many communities on those branch lines were in a dangerous position. Some of them were 50, 60 or 70 miles away from large centres, and had communication with them been delayed much longer they might have run short of the very necessities of life. Competition by trucks—which, by the way, have not been able to operate on the highways of Southern Alberta this year until the last week or ten days—had forced a reduction in railroad service over those branch lines to once or twice a week. Yet a large expenditure of money was made to serve communities depending upon those branch lines when no other transportation was available.

I do not want to see competition destroyed. But this Bill, as I understand it, would not affect services in Hudson Bay or on the Pacific coast. If lake freight rates became too high, grain producers in the greater part of Manitoba and in almost all of Saskatchewan could move out their products through Hudson Bay. In Alberta at the present time we are moving virtually 100 per cent of our grain through the western outlet, at Vancouver. I look upon these competitive routes as providing a form of competition against the Great Lakes, in case any attempt is made to impose exorbitant charges for the movement of grain through the lakes. However, I do not think that any board having control over all forms of transport in Canada would permit an increase in lake freight rates that would be a tax upon the Western farmer. That is my own feeling. If I thought the Bill would result in higher freight rates on grain, or on groceries, provisions and clothing coming in from the East, I should oppose it in this Chamber.

Hon. Mr. McMEANS: Well, it has been admitted that that would be the result.

Hon. GEORGE GORDON: Honourable senators, I agree with my honourable friend from Lethbridge (Hon. Mr. Buchanan) that the Board of Railway Commissioners has done a valuable work in adjusting railroad rates and matters of service. But it seems to me that railroads are necessarily a kind of monopoly, because it is not every person who can build a railway. This Bill would affect two forms of transportation in particular: transportation by air and by water. Now, I believe that these forms of transportation should be left alone, just as Providence intended, to operate freely with competitors. Thousands of men can command enough money to

Hon. Mr. BUCHANAN.

build aeroplanes and supply transportation through the air. Likewise, thousands of people can build boats for carrying freight on the water.

Hon. Mr. CASGRAIN: And lose money.

Hon. Mr. GORDON: Yes, they may lose money. Every business is open to that risk. So far as boats and aeroplanes are concerned, they have only one thing to consider in determining what rates they shall charge, and that is cost of operation. In that respect they are in the same position as the grocer, the hardware merchant, the miller, or the man in any kind of business. For my part, I am old-fashioned enough to believe that competition is the life of trade.

I can understand the feelings of my honourable friends from the West who oppose the Bill, and I also understand the attitude of the railroads. The honourable junior senator from Winnipeg (Hon. Mr. Haig) said the Bill would not result in an extra dollar of revenue for the railroads. To my mind, the evidence before the committee is that in the event of the Bill being enacted the railroads may derive extra revenue from package freight. But I do not understand how they can derive any advantage on grain from the head of the lakes to Montreal. The railroads cannot compete with water transportation. Of course, in the winter time they might get some of the grain traffic, but during the season of navigation practically all goes by the cheaper route.

Hon. Mr. CASGRAIN: What about the Hudson Bay Railway?

Hon. Mr. GORDON: That is virtually out of the question. Before the railway was undertaken I thought it should not be built, and since it has been built—

Hon. Mr. MURDOCK: You are surer.

Hon. Mr. GORDON: I am surer.

From what I have said honourable members will realize that I shall vote against the Bill. If it is enacted it can result in nothing but higher transportation charges on grain from the West, and I do not believe that this country as a whole has any right to penalize our Western friends. At best the railways would benefit but little, and while higher freight rates might help our people very slightly, the increase would penalize the West severely. Therefore I feel that I must vote against the Bill.

Hon. Mr. CASGRAIN: Will the honourable gentleman allow me just one question? How do railway rates in the Canadian West compare with similar rates in the United States?