

Hon. Mr. McMEANS: But why does not the province of Quebec build it?

Hon. Mr. CASGRAIN: Well, let the province of Quebec build it, and we would like the three Prairie Provinces to build the Hudson Bay Railway at the same time. That suggestion is quite apropos. The honourable gentleman is making my speech much more interesting than I thought it was going to be, in a thin house. The Hudson Bay Railway has been spoken about in this House for the last twenty years and more. I remember one honourable gentleman (Sir James Loughheed)—who, I am sorry to say, is absent through illness—saying, "We have heard the annual wail of the Prophet Jeremiah," because I was against the building of that railway. I am beginning to think I was a good prophet. Now it has turned out that the provinces themselves are going to build it.

As to the railway rates, the question is a very simple one. Personally I should think that those who ship the goods should be the people to pay adequate freight, so that others in the country, who do not ship goods, need not be taxed on that account. That, I think, is a very simple proposition, and is fair. It is the same principle as that of the old toll road, on which everybody who travelled had to pay toll. If any person wants to ship some goods, he ought to pay the proper rate. The province of Ontario is a little better off than we in Quebec are so far as railways are concerned. They have 250 persons per mile of railway; so they have twice as much mileage in proportion as Quebec. I must say, though, that it is in the province of Ontario that the biggest traffic is to be found; it is around Toronto that the biggest traffic on railways is being done to-day on both the Canadian National and the C.P.R. The honourable the Ex-Minister of Labour (Hon. Mr. Robertson) knows that it is in the manufacturing and industrial centres in the province of Ontario that the most business on the railways is being done, and not in Quebec. But some people from the West would say that it is in Ontario, where the business is being done, that the deficit arises. On the prairies there are a few carloads now and then on a branch line during the greater part of the time, and it is necessary to keep the rolling stock on hand for twelve months in order that it may be used for three months at most.

Hon. Mr. WATSON: There are 400,000,000 bushels of wheat.

Hon. Mr. CASGRAIN: It is necessary to earn all the money in two or three months, whereas the railways in Ontario work twelve months in the year. Certain honourable gentlemen, who have never made any study of this sort of thing, would have this honourable House believe that the deficit would arise where the business is being done, and the surplus would be where there is no business done during nine months out of twelve.

Hon. Mr. WATSON: 400,000,000 bushels of wheat.

Hon. Mr. CASGRAIN: There is another point. The commodity wheat, they give us to carry is carried at very little above cost. I am obliged to the honourable member from Portage La Prairie (Hon. Mr. Watson) for reminding me of that point. Wheat is the cheapest commodity carried: it is carried almost at cost: there is no money in it. It is the packet freight that pays, and it pays three or four times more than wheat per ton. Yet it is said that wheat is a great commodity. Why, years and years ago, when the C.P.R. had almost a monopoly, I was riding home on one occasion with Sir Thomas Shaughnessy, who was afterwards Lord Shaughnessy, and was saying to him, "The C.P.R. is making much money, because there was a big crop and you have had the carrying of the wheat," he said to me: "The wheat crop provides only one-eighth of the earnings of the C.P.R." That was years ago, when the C.P.R. had a monopoly.

We will now leave the question of railway rates and will take up now the matter of regulating the rates on the mighty ocean. England has a great mercantile marine, yet it has never been able to regulate ocean rates, and there is no power on earth that can regulate those rates. They are regulated every day just like the ticker on the stock exchange. If the rates go down one-eighth of a farthing, that fact is telegraphed the world over. When a ship is on the high seas there must be three elements to enable it to operate and meet the competition: first, it must have the cheapest money in the world; second, it must have the cheapest labour in the world; and, third, it must have the highest efficiency.

I said it must have the cheapest money in the world. Everyone knows that when you go and buy a ship in England you pay perhaps 25 or 30 per cent cash and are lent the rest of the money, and there is a mortgage left on the ship at the very lowest rate of interest in the world. The ship would be well insured. The shipyard owns the insurance, and if the ship goes to the bottom