

member of the House of Commons feels as you do." That would be a most unfortunate attitude to take.

Mr. MacINNIS: That is an assumption we should both bear in mind if we can.

Mr. GIBSON (Comox-Alberni): If we could keep this government in power a year—I do not think my hon. friends want to defeat them tonight—

An hon. MEMBER: We will vote against them.

Mr. GIBSON (Comox-Alberni): I think it would be well if some of my hon. friends went to the hockey game tonight. They would not have to vote. In a year's time, we may have every reason to expect the board of transport commissioners to bring in a favourable decision on the appeal which the government is asking them to consider now.

Mr. R. R. KNIGHT (Saskatoon City): Mr. Speaker, I am conscious that most of the things that can be said on freight rates in this house have already been said. It is my business, then, more or less to subscribe to those things that have been said by the members of my party. The last speaker had something to say about our support of labour and of farmers. He said, "What would you do if you had to support both sides in this particular issue? As one who represents an area both rural and urban, I am one of those in the happy position of having to serve two masters, and I hope to serve them well. I see nothing incompatible, by the way, in so doing."

I want to say one or two things in the general argument. In the first place, I am not convinced that the railroads have made a telling argument that would convince people that they are for the moment in need of any extra money. When we are discussing wages, I might say that I think it would be quite possible for both these companies to pay adequate wages for at least two years without having any additional revenue.

I could give the house some of the point of view of the west, and of the press in the west, particularly that press which supports the government in power, as the press mostly does. I have a clipping or two here. I do not know whether or not I shall use them. I might use a heading or two. Here is one heading:

C.P.R. added \$21,000,000 to its reserves, reduced funded debt.

Mr. CRUICKSHANK: Shame.

Mr. KNIGHT: The first paragraph reads:

A \$21,000,000 increase in reserves and a \$10,000,000 drop in funded debt are shown in the general balance sheet of the Canadian Pacific railway for the year ended December 31, 1946.

[Mr. Gibson (Comox-Alberni).]

And so forth. Another paragraph reads in part:

Increases are shown in holdings of government bonds and in inventory of material and supplies.

And so it goes. Another paragraph reads:

Funded debt is shown as having been reduced from \$93,669,000 in 1945 to \$83,565,000 as at December 31 last.

That is at December 31, 1946. And so the story goes in general.

Then there is the Canadian National Railways. We know, of course, what is the matter with it. It is that business of its capital structure, an investigation into which is long overdue and, following investigation, something in the way of a remedy. I do not think the nationally owned road should be perpetually kept in the kitchen as a Cinderella to the richer sister, the Canadian Pacific railway, where it can be constantly used as an argument why the C.P.R. shareholders should have more and fatter dividends.

I have already said that there has been some concern about the wage scale. I think my colleague the hon. member for Winnipeg North Centre (Mr. Knowles) has adequately dealt with that. He has shown, and quoted from a statement which shows it, that the railroads had no intention of using any of the increase in rates which is now being sought for the purpose of increasing wages. If I were convinced, of course, that the wage scale would suffer through lack of revenue, I would be in favour of the railways having more money. But if I were in favour of the railroads having more money, I would favour their having it through equalization of rates and the bringing up of freight rates in the places where they are low, rather than through the imposition of an increase in freight rates where freight rates are at present high. The way to do this is not by a horizontal raise, such as has now been granted. Everyone knows that if discrimination existed with the rates as they were a couple of weeks ago, that discrimination has been increased by the increase across the board.

I think what this all adds up to is that it is one of the three great things which constitute a method by which western wealth is transferred into central Canada coffers. One of them is tariffs; another is profits upon western businesses which have their central offices in central Canada, where that wealth is taxed and used for the benefit of those central provinces. This addition to the freight rates is the third thing.

I think no one in this house has denied the fact of discrimination. I do not think I shall argue that point. Everybody knows it