

Hon. J. L. P. ROBICHEAU: Honourable senators, before this matter is put to a vote, I should like to make a brief statement as to my views.

We have before us a choice between two propositions: co-operation, and unification of management. The first has been tried for six years, and no one would even attempt to contend that it has proved successful. On the other hand, no one denies that unification of management would effect great savings. To argue against this would be equal to contending that a farmer was justified in keeping two horses when he had only work enough for one. However, despite all that is said in support of unified management, I cannot bring myself to believe it would permanently solve our railway problems.

We of the Maritimes are timid with respect to railway questions. As an inducement to join Confederation we were promised a railroad that would carry our goods to Upper Canada markets. This promise was fulfilled in the building of the Intercolonial Railway, over which we were given rates that made it possible for us to attain those markets. Eventually the Government went into the railroad business on a larger scale and merged the Intercolonial with the greater system. As a result the Intercolonial lost its identity, pledges to the Maritimes were forgotten and we were faced with prohibitive rates which defeated one of the purposes of Confederation.

In Canada we have ten governments, nine of which are now engaged in business with truck and bus owners. Every mile of hard-surface highway that is built creates more competition for our railways, and the time is not distant when all of the paying transportation business will be in the hands of the provincial governments and their associates, for at least nine months of every year. But let us remember that if we want railways to operate during the winter we must give them a chance to live in the summer.

The real railroad situation is, I believe, more clearly perceptible in the small provinces than in the large ones. I remember when the section of the Dominion Atlantic Railway between Yarmouth and Annapolis Royal, N.S., (the oldest town in Canada), was served daily by a way-freight from each place, and special trains had to be run at times to handle the business. But all way-freight services have now been abandoned. Although there is no railroad competition in this section, the way-freight business is absolutely dead. When the business is all gone it makes no difference whether you co-operate or unify railroad lines; the result is the same then, whichever course you take.

Hon. Mr. PARENT.

There is a way in which this Government can solve the problem. They can ask those provinces where the people insist on having different kinds of transportation, to contribute towards making good the railway deficits or else, if all the present forms of transportation cannot be afforded, to state which should be dispensed with. After all, while there are various kinds of transportation, there is but one bearer of the country's financial burden—the taxpayer.

Before subscribing to any plan for unification I should like to know on what basis the Intercolonial Railway would be affected. We of the Maritimes still hope it will be operated on the basis originally promised. If its identity is to be further bedevilled by any scheme, I certainly cannot support such a scheme.

I know the present condition of our railways is bad, and we cannot look for a remedy in co-operation. But bad as the condition is, I would rather face it than start upon a journey whose end I cannot foresee.

Hon. R. B. HORNER: Honourable senators, before I vote I should like to state where I stand. I intend to support the amendment of the honourable senator from Montarville (Hon. Mr. Beaubien). Some of the speeches that have been made in this debate gave me the impression that among members of the committee there was a tendency to regard the managements of both railroads as being all that could be desired. A little spice might be added to our discussion if I were to offer some criticism. Perhaps I have had more recent experience and personal knowledge of railroad matters than any other honourable members of the House. In my opinion, both our railroads are somewhat to blame for the position in which they find themselves. Certainly the Canadian National, because of the uncontrolled extravagance in which it indulged, has been to a large extent responsible for bringing about the difficulties now facing both roads. We have heard considerable criticism of the big expenditure that is going on at Montreal. That is only one instance. Out in Saskatoon a station is being built at a cost of \$275,000, which is at least \$200,000 more than is necessary to spend on it. In one small city the Canadian National has a \$4,000,000 hotel. That hotel could not possibly be made to pay unless the room charge was \$15 a day, but the fact is that anything more than \$2.50 or \$3 would be considered exorbitant in such a small place.

On a previous occasion I referred to some instances of Canadian National extravagance that had come to my personal knowledge. Out in Vancouver there was a man with a special private car who was costing the com-