

sustained by the extension of that maximum to all intermediate points outweighed the benefits derived from the transcontinental rate, they would be compelled either to increase or cancel that rate, without profit to anyone, and the rigidity of this clause would leave them no alternative.

Let us not forget that it is the duty of the board to make sure that competitive rates be compensatory. If, therefore, the board had no discretionary powers and had to apply this iron rule, and the rate were found non-compensatory, the board would have no alternative but to disallow the rate altogether. The Province of British Columbia and the Maritime Provinces would lose the benefit of transcontinental rates, the railways would lose traffic to competitors and intermediate points would have gained nothing whatsoever. The amendment suggested is a wise one. There would be no large amount of litigation before the board, which would use its discretionary powers sparingly and judiciously.

I am in favour of this amendment.

Hon. J. W. deB. Farris: Mr. Chairman and honourable senators, I rise with a little hesitation because speeches already made have clearly enunciated the views that I hold in this matter. However, as the subject is an important one, I think I would be remiss if I did not express my views even at this late hour.

Before I come to the main topic, may I reply to my friend from Bruce (Hon. Mr. Stambaugh) who complained that the resources of his province were being squandered.

Hon. Mr. Stambaugh: I did not say they were being squandered.

Hon. Mr. Farris: You said they were being turned over to the American oil interests.

Hon. Mr. Stambaugh: That does not say they are being squandered.

Hon. Mr. Farris: Then I do not know why you brought it up.

Hon. Mr. Stambaugh: I brought it up because the resources in my province are not being used for the benefit of the people of Alberta to the extent that they should be.

Hon. Mr. Farris: If they are not being used for the benefit of the people, then I would think they are being squandered. All I want

to say is that if the people there think the resources are being dissipated—perhaps that is a better word—it is a poor argument to say that compensation for such dissipation should be loaded on to the other provinces of Canada.

Hon. Mr. Stambaugh: I would point out that one of the reasons given for our not needing the freight benefits was that we were so rich.

Hon. Mr. Farris: Nearly everybody thought you were.

Hon. Mr. Stambaugh: I told you we were not. The people of Alberta are not getting from their resources the benefit that they should.

Hon. Mr. Farris: I repeat, if the people of Alberta are not getting the full benefit, that is not a good argument why the burden of freight costs should be loaded on to Manitoba and other provinces.

Hon. Mr. Stambaugh: We used half of our resources to build a railway, and we are asking for a little return.

An Hon. Senator: Order.

Hon. Mr. Farris: Mr. Chairman, I approach this question a little differently from some of the other honourable gentlemen who supported the amendment. I agree with the sentiment of disapproval of the section, but I see no advantage in unduly pressing that objection at this stage. It is undoubtedly the declared policy of the government, it is unquestionably the recommendation of the royal Commission; the measure has been passed by the House of Commons, so I would not at this stage undertake to buck the tide. I have practiced law long enough to know that it is unwise to attempt what is impossible; it only interferes with what one might otherwise do.

I am not here tonight, sir, either to oppose government policy, as it ought to be understood, or to block the recommendations of the royal commission. But I am here to say that it is possible to make some improvements in those recommendations, and I think this amendment has that effect. To the extent that it gives a better application of the principle involved, I think honourable senators might well support it.

In expressing my views I may be regarded as a partisan, for I represent the great Province of British Columbia. Provinces other than British Columbia and the Prairie Provinces