

Mr. GRAHAM: Would this be a fair inference: that if the government is right and my hon. friend is partially wrong, and it does transpire that the ocean rates on the Atlantic are controllable by the government, immediately following that the same principle would apply to the Pacific?

Mr. LADNER: Apply to what?

Mr. GRAHAM: To the Pacific ocean.

Mr. LADNER: Apply the agreement?

Mr. GRAHAM: The hon. member does not get me, perhaps. I ask him if this would not be a fair inference: that if it transpired that the government was right and succeeded in this attempt to control ocean rates on the Atlantic, taking his version of it would it not follow, as night follows day, that that success on the Atlantic would immediately be followed by the application of a like principle on the Pacific?

Mr. LADNER: Not necessarily at all.

Mr. GRAHAM: Well, I might say that it would.

Mr. LADNER: The goods are shipped from Vancouver to Europe; the competition is between the ports on the St. Lawrence in eastern Canada and Europe—

Mr. GRAHAM: The hon. gentleman does not get me.

Mr. LADNER: Yes I do. The point is that if you reduce the freight rates on the Atlantic from an economic point of view, it has an effect on the Pacific.

Mr. GRAHAM: No, I said that if the government were successful, as they hoped to be, in getting control of ocean rates on the Atlantic, it would follow as a matter of course that that success on the Atlantic would immediately be followed by the government applying the same principle on the Pacific.

Mr. LADNER: Is the government prepared to say they will do so?

Mr. GRAHAM: Most assuredly.

Mr. MEIGHEN: A safe promise.

Mr. GRAHAM: This government always makes safe promises.

Mr. LADNER: Does the minister really think that a proposition like this which would control about two per cent of the freight between Canada and the continent is going to affect the freight rates on the Pacific?

[Mr. Ladner.]

Mr. GRAHAM: If it does not control more than two per cent, I should imagine the other ninety-eight per cent would not be making such a fuss.

Mr. MEIGHEN: What fuss are they making?

Mr. LADNER: I do not think there is any suggestion beyond the inference in the minister's words, that they are making any fuss. They are placing their case before the body that is going to make the law and they have not had an opportunity to do so previously. Mr. Preston in his report says:

My only regret is that the investigation extended months beyond my expectations.

And yet the statement of the steamship companies is that he never came near them. What kind of information is that to justify the government entering into a contract of this kind? I presume the minister also includes the boards of trade of Montreal and Vancouver and all the business men of the country among those who are complaining against the proposed subsidy.

Mr. GRAHAM: The hon. member is wrong again. He asserted that only two per cent of the traffic would be affected.

Mr. LADNER: Of the total trade.

Mr. GRAHAM: The other ninety-eight per cent need not be very much afraid of our making a very great disturbance. He need not worry about the effect that two per cent of the trade would have on the other ninety-eight per cent. The other question the hon. member asked was, would there be an opportunity for the people who were reasonably opposed to this scheme to be heard? That is just what the government proposes in submitting the whole thing to a committee, where all objections can be heard.

Mr. MEIGHEN: Does the hon. minister think that if business men are lampooned in a reckless report they are not likely to protest?

Mr. GRAHAM: I do not object to that at all. If I were one of the ship owners I would feel that my business was interfered with and I would protest.

Mr. LADNER: Will the minister not agree with me that what the steamship companies are complaining of is not so much that they fear the competition of these wonderful boats of Petersen's, but that they object to a wrong accusation, and, as they say, the false statements made against them and affecting their honour without consulting them.