

Liberal administration. I wonder if he realized precisely what that meant. Of course, the last act in the last session of the Liberal government of 1911 was to guarantee the Canadian Northern Ontario bonds, and the road was not finished until years after—finished in the days of their successors. The road was kept in construction as long as possible; for so long as it was in the construction period it could pay interest out of the bond guarantee proceeds, and not otherwise. Therefore they kept it in the construction period as long as possible. But when these miles of road passed into the operating stage we had the Grand Trunk Pacific bankrupt from the day the rails were laid. We had the National Transcontinental, which was to cost thirteen millions, according to Hansard, but cost as a matter of fact hundreds of millions, and which did not earn the money with which to paint the stations. Then too there was the bridge across the St. Lawrence, built twice. All these are part of it, and my complaint in Toronto the other day was that the Liberal party asked the people of the country for support in the light of the fact that during the past their view was so circumscribed, so limited, that they could not see that a population such as ours could not support three transcontinental roads. My complaint was not that we had a system competing with the Canadian Pacific Railway; far from it. Everyone realized that we could support a second road, not in this chamber but in the chamber that stood upon these foundations, Andrew G. Blair, pointed out the inevitable result. He was not listened to, nor were others who pointed out the same thing listened to. These were voices crying in the wilderness. But, sir, we are now reaping the whirlwind; we cannot escape it. We have three transcontinentals. We have the Canadian Northern, built up as it was by the guarantees of parliament, up to Edmonton. I remember the day of the opening there. Then British Columbia stepped in and guaranteed the bonds of the Canadian Northern in British Columbia down to the sea coast. Further, we had the Grand Trunk Pacific from Winnipeg to Prince Rupert, and then the National Transcontinental, from Winnipeg to Moncton, crossing the St. Lawrence river. We had the old Grand Trunk linking up with the Grand Trunk Pacific and the Canadian Northern; for instead of linking up these two systems together, without giving a charter for a third, instead of endeavouring to do what sound business men would do, the cry was, "We cannot wait." And so we plunged ourselves into the venture

[Mr. Bennett.]

for two more transcontinentals, with the result that all three were destroyed.

Every morning as I go to my work I pass the statue of Sir Wilfrid Laurier, and I pay tribute to the fact that his disinterested patriotism was known to all men; he desired to do what was best for Canada. But the fact is that he did not foresee, when he and his government pledged their support to the construction of two transcontinentals in addition to the one we then had, that this meant certain and sure insolvency to the roads themselves. I do not claim any vision, but I can say that I stood in the hall at Calgary and pointed this out and was denounced as a pessimist. Governments must lead, but they are pushed on by people; and the people of this country in those days, with capital coming in and money being spent, said, "Never mind the morrow." But the morrow has come, and the difficulty that your government experiences at this time is that the limitations imposed upon us by the debts of Canada, incurred alike for the railways and for the great war, place upon us responsibilities that cannot be lightly discharged and that prevent us from taking those forward looking measures which, with capital and credit, we should like to take. Every thoughtful Canadian knows that. And that brings to my mind one thing more.

I hear it said that the late government reduced the national debt of Canada. Well, they did reduce the bonded debt of the nation, but they increased the indirect debt, so that the interest payments upon the latter exceeded by over one hundred and fifty million dollars the sum total that is represented by the decrease in the debt. Everyone knows that. All you have to do is to take the figures of the increase in the indirect responsibilities in connection with the railway and the reduction in debt during the time of Mr. Robb and his predecessor, and strike a balance and you will find that the test of the debt is the sum upon which you pay interest to borrowers. And we are paying in interest, or we were paying at the end of that period of time, over one hundred and fifty millions more than we were paying at the beginning of the period. These are facts, and I mention them because it is important to have a clear appreciation of the situation.

I have dealt now with all the matters I desire to discuss leading up to what I shall have to say with respect to the guarantee given to the Canadian Pacific Railway, and I would ask the right hon. gentleman opposite and hon. members of this house to listen to the reading of this document. I shall be content to make no argument with them as