

producing coke from Canadian coal would insure what might be called a Canadian market for the output of the Nova Scotia mines. I hope, therefore, that the necessary steps will be taken to give all possible encouragement to coking plants and thus promote a great expansion in both the country's trade and the traffic on our railroads.

This conversion of Canadian coal into a smokeless domestic fuel of high quality, equal to anthracite imported from the United States, is an industry capable of great development, as yet hardly perceived by the people. Besides coke, we can obtain by this process a gas which is suitable for domestic and other important purposes. With scientific treatment our coal will also yield oils, and will develop electric energy as cheaply as our water-powers, which cannot be made available to all corners of this vast Dominion. I congratulate the Government on having recognized the potential value of this new industry.

The great question studied by this Commission is the problem of transportation and railway freight rates. Transportation is a vital question not only for the Maritime Provinces, but for the whole of Canada. The resources of our country are immense—I might say inexhaustible; at least our fisheries; but these resources are distributed over a vast area extending for three or four thousand miles from the Atlantic coast to the Pacific. Our home consumption is entirely inadequate for our production. The most productive regions are situated far from our seaports. The Prairie Provinces, for instance, are separated by great distances from both the Atlantic and the Pacific coasts. It is the increase of production in those provinces that will contribute most to the prosperity of the industrial provinces of Quebec and Ontario, because greater agricultural yield will mean greater production of farm implements and other goods which the western provinces do not manufacture. Similarly, the prosperity of the Maritimes will contribute to the prosperity of the central provinces.

The development of our natural resources and the distribution of the products thereof demand, therefore, intelligent and wise consideration on the part of the authorities managing our railways. It is only by an improvement of traffic that the railway situation may be saved; and in this connection it is necessary for us to keep as much traffic as possible for our Canadian lines and Canadian seaports, instead of allowing traffic to be diverted to United States channels. The utilization of our ports of Saint John and

Halifax is, in my opinion, the best means of preserving harmony among our people and giving a great impetus to their prosperity. They are asking that the products of the West be shipped by Canadian Atlantic ports. It must never be forgotten that, had it not been for our winter ports, Confederation would probably never have taken place.

These ports still lack the necessary equipment for winter traffic, but I am glad to observe in Clause 16 of the Commission's report a recommendation to the Federal Government to establish under our laws, for each of these ports, a harbour commission, whose duty it should be to improve the harbour so that gradually outlets would be developed which would permit of business being carried on in winter as well as in summer. I have always regretted the rejection or postponement of these measures by the people of Saint John. I feel sure they will accept the present proposal. The development of our Atlantic ports will also increase considerably the trade of Prince Edward Island. It must be admitted that since the beginning of the present year, 1926, the President of the Canadian National Railway Board, Sir Henry Thornton, has contributed in large measure towards the improvement of conditions in the Atlantic Division of the System, and I am confident that he will continue to carry out the program which he has outlined.

I concur in the declaration of the Royal Commission that the Atlantic Division should extend to Levis instead of Rivière du Loup. In fact, I asked a couple of years ago, in this Chamber, that that change be made.

I hope that the demand for a preferential tariff on goods will be received with all possible sympathy by the Railway Board, for I am certain that the reduction of freight rates would soon be offset by the increase in traffic.

The report of the Commission recommends also a study of the question of provincial subsidies, particularly those of the Maritime Provinces. This problem can be solved only by an Interprovincial Conference, whose conclusions should be unanimously approved by our legislatures in the general interest of all the provinces.

Coming as I do from New Brunswick, I am deeply interested in the prosperity of the Maritime Provinces. However, there are in this report certain remarks which have particularly attracted my attention. It is said that the subsidies are not sufficient and have not produced the result expected of them. It is true that the Fathers of Confederation,