

does not pay. It is certainly, in large measure, owing to these losses that the country is to-day faced with the present railway situation. Not only has there been a failure to use the Transcontinental railway between Winnipeg and Quebec, but the operations of the Grand Trunk Pacific west of Winnipeg have largely been strangled by allowing Mackenzie and Mann to build parallel lines all the way to the Pacific. This policy resulted in the downfall of Mackenzie and Mann, to say nothing of a provincial administration in British Columbia, but because of it we to-day hear the story of deficits and of insufficient traffic on the Government lines.

This is a very serious problem, and, as I said at the outset, I am not making these remarks for any political effect. What I am saying will not bring me a single extra vote in Gloucester. Last fall the Prime Minister when he came down to Nova Scotia called us Bolsheviks and Communists, and as I had been talking very strongly in favour of free trade I considered I was in that category, and was rather surprised. As a matter of fact I am called the "peacemaker" in Gloucester and I have succeeded so well in that role that you could not find to-day ten Conservatives in my county. But I do say from the bottom of my heart, and in the hope that it may have a salutary effect on the Board of Management, that those gentlemen must understand that the people expect an improvement or else that the Board will demobilize themselves. Each year the deficit grows bigger, and I can derive no hope of any improvement in the immediate future from their utterances. For instance, I read in the Ottawa Journal a few days ago that Mr. Hanna had stated before the committee which is inquiring into our national railways and merchant marine that freight rates should not be disturbed. That to my mind is a hopeless outlook. We talk of the success of the Canadian Pacific, but the men in control from Lord Shaughnessy and Mr. Beattie downwards are human beings, and surely other human beings ought to be found capable of administering our national railways with an equal measure of success. We cannot dispose of these railways with any advantage to the country. We have the Grand Trunk Pacific, for instance, which cost the country three times per mile more than the Transcontinental cost. The latter is the cheapest road Canada possesses to-day. It has cost \$180,000,000, but it must be remembered that it has cost no more. But let

[Mr. Turgeon.]

us consider what the Canadian Pacific has cost the people of Canada. According to the reports of that company \$70,000,000 yet remains to be paid on the lands they have sold, notwithstanding the millions of dollars they have collected every year from land sales, and in addition they value the balance of the land they received from the Canadian people at \$91,000,000. There is over \$160,000,000 which the Canadian Pacific has cost this country, and if we had placed the same quantity of land to the credit of the Transcontinental the land itself would have paid for its construction, as we have paid practically for the construction of the Canadian Pacific.

If I may be permitted to refer to the offer made by Lord Shaughnessy to the Government in connection with our railway problem, I would say that although I have the greatest respect for him, neither he nor any other man can make an offer to-day that will relieve the situation. If the Canadian Pacific railway and our national railways were operated as one complete system we could no longer control the rates which the management might find necessary to secure sufficient revenue to pay dividends. But I am heartily in accord with that part of Lord Shaughnessy's memorandum in which he states:

Even at this advanced stage it would be wise for the Dominion Government to drop all measures looking to the acquisition or control of the Grand Trunk, to relieve that Company of all obligations in connection with the Grand Trunk Pacific and to grant easy terms covering a period of years for the repayment of any amounts advanced by the Government to the Grand Trunk or secured on the credit of the Government in the last two years.

It is practically the same proposal as I myself made in 1919 when speaking on the Grand Trunk Bill. I agree with Lord Shaughnessy to that extent, but I cannot agree with him when he says that the Transcontinental railway has cost too much money. I would not assume to oppose my judgment to that of Lord Shaughnessy but I would give the opinion of no less an authority than the late Sir Sandford Fleming, one of the greatest engineers that Canada—indeed, the British Empire—ever possessed. Sir Sandford Fleming points out that a railroad should be built with the idea of permanence so that it will not have to be reconstructed every twenty or thirty years. Sir Wilfrid Laurier and his Government saw to it that the Transcontinental was constructed of the very best material; that the very highest degree of perfection was attained in order that