

rates on this railroad is all going into the treasury of Canada and is being honestly expended, naturally they will want to patronize the railway in preference to the Canadian Pacific or any other road, and then it will only be a matter of time before their patronage of the National railway will make it a profitable undertaking. I think possibly my hon. friend from Red Deer (Mr. Clark) and myself are about the only two men in the House who hold the view that this undertaking will be profitable. I can see a great future for it in developing the western country; that is, if lines are laid down for the honest purpose of developing the country, and not for political purposes. There is no reason why this railway should have the preference over another road running into the same territory. For instance, if the Canadian Pacific can build a road into a certain territory cheaper than the National road, and can give a cheaper and better service, there should be no hesitation on the part of the Railway Committee of this House in granting the Canadian Pacific a charter to construct in that territory; let us have the competition. If, on the other hand, the Canadian National railway can develop the territory more cheaply and give a better service than the Canadian Pacific, there should be no hesitation on the part of the Railway Committee in saying that the Canadian Pacific shall not go into that territory. But we must be honest with ourselves, honest with the undertaking, and honest with the Canadian Pacific. Give both roads a chance to develop along their natural lines; let them both develop their natural territory, so that we may have cheaper rates, efficiency in management, and a development of the territory to the best advantage. When we develop the territory the traffic will be created that will make the road pay.

One of the objections I had to the renewal of these blank charters was that there are any amount of corporations in Western Canada holding large blocks of vacant land for speculative purposes, and who will use all possible pressure to get the Canadian National Railway to build in their territory and develop their lands. If the road builds in that territory the lands will be advanced in value by the people's money, and at the expense of the producer, who will go in there after the railway is built and have to pay an increased price for this land. To my mind, the main essential in our railway problem is to free the land from the speculators; get immigration into the country; get people to produce on the land,

and you will make the railway profitable. Some hon. members opposite have criticised the late Administration for the cost of the National Transcontinental. It would seem, when they speak of railways, they cannot help criticising the Laurier Administration for assisting in the development of the railway policy of this country. They say that the National Transcontinental cost upwards of \$200,000,000. Let me tell hon. members that if the National Transcontinental did cost \$200,000,000, or in that neighbourhood, it was paid for out of revenue, and that when this Government came into power the national debt, including the Transcontinental, amounted to less than \$400,000,000. I might also tell them that when the Canadian Northern wanted to build from Edmonton to the coast, through British Columbia down to Vancouver, and parallel to the Canadian Pacific, the Liberal Government at Ottawa refused to grant them a charter for that road. What did the Canadian Northern do? They got a charter from the Government of the province of British Columbia.

The Government of British Columbia—I do not wish to mix politics with railways, and no hon. member can say that I ever said that any one person was responsible for the railway situation, except perhaps when some one asked me a question—the Government of British Columbia guaranteed the bonds of that road, which duplicated the Canadian Pacific practically for 200 miles from west of Edmonton to the coast. It was the most expensive construction the Canadian Northern ever had. I do not think it is good business for the people of Canada to try to cover up our responsibility by saying that it was a Liberal or a Conservative Government that was responsible for the national railway situation to-day. We have to face the situation, and I think the solution is feasible and quite workable. But we must get the railways out of the hands of the politicians, out of the hands of the men who made a failure of them, and into the hands of railway operators.

When the question was raised here a few days ago of having representatives of labour on the board, it was objected that that would be unconstitutional and could not work. Now we are doing something that is far more unconstitutional. We are taking out of the hands of the Auditor General the supervision of the expenditure of Canada's money, and as we are going to that length, I cannot see any reason why we cannot have on the board representatives of labour. It would be the simplest thing in the world to have labour represented on the National