

asked in what respect this would be the case, replied that, according to this amendment we would be practically binding ourselves to follow the rates on the Canadian Northern Railway. That is not the intention at all. The Grand Trunk Pacific can charge lower rates than the Canadian Northern if they desire to do so; the idea of the amendment is that the rates on the Canadian Northern Railway shall be the maximum. And the ex-Minister of Railways and Canals, when introducing his Railway Bill, stated the duty of the commission would be not to raise the rates but to lower the rates when it was possible to do so. So, the objection raised by the Minister of Justice is not a valid objection at all. Now, those hon. gentlemen in this House who have spoken in favour of this Bill, particularly the hon. member for North Norfolk (Mr. Charlton) have taken the position that this road, when it is constructed, will be able to haul grain at the rate of five cents a bushel from Winnipeg to the port of Montreal. If that is the case the government should have no objection to incorporate this amendment in its agreement with the Grand Trunk Pacific people. But the very best evidence that the government and its supporters have no faith in that arrangement is the fact that they have rejected this amendment which merely provides not for a five-cent or six-cent rate which these gentlemen declare can be had over this road from Winnipeg or Brandon to Quebec—but simply that the rate shall not exceed the rates on the Canadian Northern. The rate now charged by the Canadian Northern is ten cents per hundred pounds, or six cents per bushel, from Winnipeg to Fort William. If these hon. gentlemen are not ready to make it part of the bargain that the charge for hauling grain over this road shall not exceed six cents per bushel from Winnipeg to Fort William, how can they expect to convince us that the grain can be hauled from Winnipeg to Quebec for five cents per bushel? Hon. gentlemen opposite take the ground that the Canadian Northern are losing money in carrying grain from Winnipeg to Fort William at six cents. If that is a fact, what reason is there to expect that this new railway can carry grain a thousand miles farther east for the same amount of money. Now, however, they aver, as the reason why the Grand Trunk Pacific would carry grain cheaper than it is carried at the present time, that its fixed charges will be low. But as a matter of fact, the fixed charges of the Canadian Northern are lower than those of any railway on the American continent today. The Grand Trunk Pacific will have a capitalization of \$45,000,000. That, together with its bonding issue will make an amount of \$95,000,000 on which fixed charges will have to be paid. This will amount to something in the neighbourhood of \$50,000 a mile which will, for many years, prevent a re-

Mr. ROCHE (Marquette).

duction of rates upon the road unless parliament takes steps at this incipient stage, to fix rates which shall not be exceeded. The hon. member for West Assiniboia (Mr. Scott) stated that if he thought this road would charge exorbitant rates he would support the amendment, but that he had every confidence in the enterprise that the rates would be reasonable. I must say that the hon. gentleman evinces childlike simplicity and every confidence in this corporation—very much more than he ever had in the Canadian Pacific Railway. But he admitted that the Canadian Pacific Railway was not treating the people worse than any other corporation placed in similar circumstances would treat them. And, if the hon. gentleman believes, as he declares, that the corporations were bleeding the farmers white, that they were charging the farmers such exorbitant rates that the effect was that the agriculturists were farming on shares with them. I think I can, with every confidence claim the hon. gentleman's support to my amendment, which simply declares that the rates shall not be higher than those charged by the Canadian Northern. The reason why I select that road is because, under its arrangement with the Manitoba government, its rates are under control of that government, and have been reduced four cents per hundred pounds during the last two years. Now, we on this side expect that this road is going to carry very little grain to the east by the all-rail system from Winnipeg to Quebec, Moncton, St. John or Halifax. But, practically all the grain that will be carried will have to go to a Lake Superior port, provided that branch is built which the Grand Trunk people have taken the power to build to Nepigon Bay. Therefore, my amendment limits the rates which shall be charged to Lake Superior ports, realizing as I do that the bulk of the grain will be shipped by lake and rail route, even after this road is constructed; because it is impossible, as pointed out by practical men in this House and out of it to carry grain all rail. We want to protect our farmers so that they shall not be charged exorbitant rates for the carriage of their grain to the head of navigation. Therefore, without taking up further time, I move, seconded by Mr. Boyd:

That all the words after 'that' to the end of the question be left out and the following substituted therefor:—The Bill be referred back to a Committee of the Whole with power to amend the same as follows:—

That in the transportation of traffic from or to points on the said western division by way of Lake Superior, whether such traffic be between points in Canada or be export or import traffic, the rates of transportation to be charged by the Grand Trunk Pacific Railway Company shall not exceed the lowest rates then being charged by the Canadian Northern Railway on the lake traffic by way of Lake Superior between the same or corresponding points.