

think it is necessary to make any contraction at all of our railway services. We let the railways continue to run throughout the country and provide double the services required.

Another reason is our own experience.

Hon. Mr. DANDURAND: Great Britain is only a postage stamp compared to Canada.

Hon. Mr. BEAUBIEN: I thank my honourable friend for helping me in my argument.

Another reason, which should not be neglected, is this. Co-operation, which, as I say, involves the same principle as unification, has up to now, wherever it has been put into effect, produced an economy of 33 per cent. Still these efforts towards co-operation, especially in the matter of block trains, are handicapped by duplications of terminals and yards and other services. Is it not rational to say that if you obliterate duplication completely you make a saving of at least 20 per cent? Honourable gentlemen may not know what that would mean. On the basis of the traffic level of 1930 it would mean \$70,000,000; on the basis of the traffic level of 1937 it would mean \$54,000,000.

In 1925 this House—not the Canadian Pacific Railway—showed the way to the only remedy for our railway ills. A tremendous amount of information supporting unification has been gathered together and is available to the Government at a paltry cost. What is \$25,000 or \$50,000 in comparison with our railway deficit? It is less than one-third of a day's loss on the Canadian National. This information is easy to reach; our good friend Colonel Biggar has moulded the key to the vault where it is kept, and the Government could send in accounting clerks to verify the figures, and engineers, with slide rules, to check formulas and make such an investigation as would be necessary in order to enlighten, not the members of the committee who signed this report, but others, and even the Government themselves, who will have to deal with this matter. My honourable friend may be very glad to have his hands strengthened. If it is proved that we are wrong as to unification, unification will be buried for ever; if we are right, should the Government not know it?

The Government may think they have an easy road to travel, but I want to warn them that before long they may be searching for some economies to enable them to help some of our people who do not receive such good wages as railway workers do. The Government may be looking for money to help out farmers of the province of Quebec, for instance or of Ontario, whose credit has disappeared.

I want to predict something else. The Government, I suppose, are not paying attention to our work here, but the people at large

are. Some day the people will reflect that an average of \$50 per family is being paid out every year on account of the Canadian National Railways' deficit, and that much of this money could be saved. They will realize the fact that because of our system of indirect taxation everybody has to contribute to make up this deficit, and that the burden does not fall upon rich people alone, for there is only one class of people in the country who do not pay, namely, the paupers who live exclusively on charity. Some day public opinion will wake up, and then the Government's policy will change as quickly as the weather vane changes in response to the breeze.

In conclusion let me say that the task we are performing to-day is not a pleasant one. We have party ties, and it is painful to do what we are doing. But surely in this House, with its exalted position, there must be corresponding responsibility. Our duty, in a matter as serious as the one we are discussing to-day, must first of all be to our country. At all events, and above all, let not the people lose confidence in the Senate. There are a great many persons who consider themselves clever and who believe nothing can equal the playing of politics. I have here an article which I found in an Ottawa newspaper to-day. It might help towards the realization that, after all, in our day political ability does by no means count as much as the courage to do our duty. But I fear that if I read the article it would cause some of my honourable friends across the way too cruel an impression.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 p.m.

Hon. A. D. McRAE: Honourable senators, in order to relieve me from the necessity of reading it, I ask the approval of the House that I may place on Hansard as a preface to my remarks my proposal to the Special Railway Committee of the Senate. It will be the basis for my talk to-day. I think honourable senators are quite familiar with it.

Some Hon. SENATORS: Carried.

Hon. Mr. McRAE: Thank you.

(This is the proposal submitted by Hon. Mr. McRae.)

Proposal to Special Railway Committee of the Senate.

I approach our problem with a sincere regard for the public interest and in the hope that this committee, after two years' effort, can arrive at a report to the Senate which will be helpful in the present railway situation. For these reasons only, I feel impelled to submit to the committee my proposal.

I know that Senate committees are supposed to be free from party considerations, but, rightly or wrongly, there has crept out to the