

ly unfair decision," in conjunction with the fact that the Canadian Government refused to allow freight rates to be raised during the war, "will not be forgotten when the Dominion has again to enter this market as a borrower." is even made by the Money Market Review and Investors' Chronicle, while the Times speaks of the "Shylockian role" played by the Canadian Government in securing the system.

This shows us that the owners and shareholders of the Grand Trunk railway do not think they are getting fair play.

We have had enough of Government ownership: we have seen what it brings. If the members of the Senate—I am speaking to those who are friendly to the Government and the powers that be—would only get together and ask that the Grand Trunk be allowed to continue the operation of their property they would be rendering the greatest possible service to the country. Experts are coming before the arbitrators every day and saying that the Grand Trunk have a fine property, that they want to keep it. Let them have it. It may be said: "What about the Grand Trunk Pacific"? Well, we have that anyway; it is a white elephant, but we have got it; but, we do not have to take over the Grand Trunk railway if we do not want to. I believe that if the Government were approached by the members of this House who are friendly to the Government, and if it were explained what a mistake is being made, perhaps the Government would welcome the suggestion of leaving the Grand Trunk alone. A majority of this House could do it. It would be no threat to the Government; it could be done in a friendly way.

There is a rumour abroad, and I give it for what it is worth, that when the Grand Trunk is taken over and joined with the 14,000 miles that we now have, the whole system will be handed over to some corporation or institution. Well, if that institution were solvent, if it were to pay for the railroads, I would welcome such a proceeding; but I would not like to see the railroads given to people who had no money to pay for them, because as long as there is any money due on these roads—they are just like any property you may buy—you become responsible for all the mortgages and hypothecs on the property—the Government would be responsible to the last dollar if the people to whom the railroads are handed over are irresponsible, we shall be no better off. If it were a financial corporation with some ability to carry on it would be a good thing, even if we made them a free gift of the railways, because we would be relieved of the deficit.

We have heard a great deal said against the Transcontinental railway between Winnipeg and Quebec. I was very much surprised to find that the Transcontinental is developing into a very good piece of railroad. I was amazed to see the amount of traffic originating on one running mile. This is the way it figures out, and it will not take two minutes to explain it. There is any amount of pulpwood on the Transcontinental near Amos and La Sarre in the Province of Quebec near the boundary of Ontario. For about 100 miles there is a territory that grows very good pulpwood. It is of the right size, it has no branches, and it is just about the right length to make four cuts. Even in a good timber country if you get 8 or 9 or 10 cords to the acre you are doing well, but in that district it grows very thickly and they get 15 cords to the acre. Supposing you allow for the lakes, rivers, and swamps, and say that they get only 10 cords to the acre; there are 640 acres to the square mile; if you multiply that by 10 you get 6,400 acres, and if you go back 10 miles from the railroad, which is not a very great distance, you get 64,000 cords, on one side of the railroad. If the same thing is duplicated on the other side, you get 128,000 cords of pulpwood to the one mile of railway. The price of pulp wood is from \$7 per cord up; so multiply 128,000 by 7, and you get \$896,000 for the pulpwood subtending 1 mile of railway. Besides that \$896,000 you have got the freight. Most of that pulpwood is going to United States points. The freight on pulpwood say from La Sarre to United States points is \$16 a cord. Multiply \$16 by the 128,000 cords subtending 1 mile of railway, and you get about \$2,000,000, three-quarters of which goes to the Canadian railways and the balance to the American railways. On 1 mile of railway you have enough to pay for that road fifteen times over, even if it cost \$125,000 per mile. I think this is the one ray of hope and sunshine that we have from the building of the Transcontinental railway.

There is something very strange in the way the railway mileage is divided in this country. As I have told you there are 218 persons per mile of road—I have figured it out at 217, which is very close. In Ontario there are 11,000 odd miles of railway, and a population of nearly 2,900,000 people; so you have 1 mile of railway for every 260 people. In Manitoba there are 4,168 miles of railway to a population of 553,000; so