

shall see to it that the amount of Manitoba's mortgage, covering all Canadian Northern lines between Fort William and the western boundary of our province, and now forming part of the National railway system, is collected, and the Minister of Railways will be forced to provide a sum far beyond \$100,000,000 to liquidate liabilities under that mortgage. I want him to understand that, because Manitoba will expect him to be ready to liquidate that mortgage when they follow out the procedure set out in the agreement and mortgage.

Mr. DUNNING: \$100,000,000?

Mr. ROGERS: It will take a good deal more than that and we will collect every cent of it, because it is coming to us. Let my hon. friend not make any mistake about that. Some people say we have no power to fix our rates lower than the maximum rates fixed by the railway commission or by the government. From the day we made our contract in 1901 down to the present day the railway companies have every day and every hour followed our rate contract in its form, and they are to-day as it suits them from time to time, making rates lower than the maximum rate. The Progressive party, for example, get a half rate for all the delegates they bring in, and for their wives and families, when they hold their conventions at Winnipeg. I have before me an advertisement which the railways published only yesterday offering rates below the maximum rate. Our contract was based upon the same arrangement, and it stands good to-day. The only honourable mention of Manitoba's rate came when the report of that committee was presented to the House and the Hon. Mr. Maclean, now Judge Maclean, who was then chairman of that committee, brought out the point that the rates applied in Manitoba had its effect upon freight rates upon grain throughout the whole of the prairie country and the rates in effect during all the period of time I have cited, were rates resulting from the Manitoba contract.

I wish to bring out this other point. The liability of the province of Manitoba in respect of its guarantee is in no way altered or changed by the ownership of the common stock of the company. The company retains its corporate identity, it can be sued in the courts and it has all the responsibilities of a private company. Manitoba has a mortgage which is as binding as any mortgage that ever existed. The parliament of Great Britain for centuries has been the guardian of sacred contracts and their covenants. The parliament of Canada during its existence at all times and

[Mr. Rogers.]

under all conditions preserved and maintained sacred contracts and their covenants, save and until a compromise government led by my right hon. friend the Prime Minister undertook in 1922 to attempt Prussian methods against that contract, a contract which, I repeat, neither his government nor the railway commission had any more right to interfere with than the Civil Service Commission at Ottawa. If the government of my right hon. friend the Prime Minister had any such power, then it would have to be understood that in future no contracts entered into in good faith by two contracting parties who give each other mutual considerations shall have any force or effect.

This contract was first interfered with in 1919 under subsection 5 of section 325. Sir Robert Borden, knowing as he did the force and effect of this contract—because he was in parliament when the contract was made in 1901—made this statement when introducing that clause. I want the Minister of Railways (Mr. Dunning) to listen carefully to this:

We thought it desirable that that clause should continue in operation only for three years and that in the meantime the question of compensation to the province, or city or municipality ought to be taken into consideration.

That is the question which my hon. friend will have to take into consideration. He will have to consider in the very near future providing some part of the \$100,000,000 to compensate the province of Manitoba in this matter.

Mr. DUNNING: Why did not Sir Robert's government deal with it in that manner?

Mr. ROGERS: They dealt with it for three years but there was a change of government. Now, Mr. Speaker, I should like very much to continue, for there is a good deal that I want to discuss, but as the hour is late I shall not detain the House much longer. I was anxious to explain to the hon. member for Saskatoon (Mr. Young) how little he knew about railway freight rates when he attempted to discuss them. However, I will reserve that pleasure for a later day when I shall endeavour to enlighten the hon. member on the subject and if possible to enlarge his knowledge of freight rates. I will point out to him that any rate in respect to which Saskatoon has derived any benefit was the Manitoba rate and not the Crownest or any other.

I regret that I have had to consider as hurriedly as I have done the various points I have touched upon, but inasmuch as I was anxious to get through I have had to omit a good deal of what I intended to say. At some later day I shall deal more fully with certain