

the cost of living index would not go higher than about 145. I believe he meant that, yet today we know that the index is 167. I presume it will go still higher, and if it does we are bound to have requests from people on fixed salaries, such as railway employees, for increased pay.

Hon. Mr. Hardy: Just like the senators.

Hon. Mr. Haig: Did they get an increase in pay?

Hon. Mr. Euler: When the arbitrator is considering the whole case, will he not deal with that situation on its merits?

Hon. Mr. Haig: The point I am trying to make is that I do not think the parties have been given a fair chance to reach an agreement.

Hon. Mr. Euler: They have been trying for more than a year.

Hon. Mr. Haig: But they have been negotiating during all that time.

Hon. Mr. Euler: And they failed to reach agreement.

Hon. Mr. Haig: They came pretty close together.

Hon. Mr. Hayden: Not close enough, though.

Hon. Mr. Haig: Maybe not, but they were pretty close. I may be wrong, but I think that if they had been urged a little more they could have been brought to an agreement. Before I became a senator I sat on a number of arbitration boards, and my experience was that differences could generally be argued until an agreement between the parties was reached.

I have spoken longer than I intended, but there is one more word that I wish to say. Candidly, I feel that the government has to take a lot of responsibility in this situation. I place the responsibility on the government, and the record will show in the future that this was the first government in Canada to introduce legislation making an agreement between capital and labour a matter of compulsory arbitration. At present I am not in favour of it. It may be that in years to come I shall see more necessity for it, but I repeat that at the present I do not like it.

Some Hon. Senators: Question!

Hon. R. B. Horner: Honourable senators, I do not intend to prolong the debate or delay for long the passage of this bill. But I wish to say a few words about it. Coming as I do from Saskatchewan, I have always claimed that that province has a greater need than any other for good railway service, because out there we have not the benefit of competi-

tion from water transportation which other provinces enjoy. And as I have said on other occasions in this chamber, our province creates more new wealth than any other does from the soil—and it does that without robbing anybody. With an area of seeded grain almost equal to that of all the other nine provinces together, we had a prospect of producing \$400 millions from the soil; but unfortunately a frost occurred in several parts of the province. With all my forty years' experience I am not in a position to assess what the frost damage will be. Frost comes in waves, and while some areas may escape damage, others do not.

The province of Saskatchewan has always faced a serious problem in the transportation of its produce. For instance, we can raise horses. You good people who have been attending the Ottawa Fair and eating tasty hamburgers made out of horse meat did not suffer any harm. If it were not for the high freight rates from the West we in Saskatchewan could raise horses for that purpose.

Some Hon. Senators: Oh, oh.

Hon. Mr. Grant: You also have a good government in that province.

Hon. Mr. Horner: Since you raise the question, I will answer you. The government of Saskatchewan is just as good as any Liberal government I have ever seen.

Some Hon. Senators: Oh, oh.

Hon. Mr. Horner: My main purpose in rising to speak tonight was to emphasize a point which I thought my leader did not emphasize. What concerns the people on the streets of Blaine Lake and the surrounding country, which I represent, is who had the responsibility of avoiding this railway tie-up. Was it the president of the Liberal association? Was it the government? There are always lots of people who want to push to the front, and who wish to be chairman of this or that committee when there is no danger or serious trouble threatening. The same is true of the government; it wants power.

The opposition in this house is a meagre group, but surely the public will not condemn us for lack of action. Surely the whole burden of responsibility for failure to halt the strike is upon the government. Who else can be blamed for this stagnation in transportation throughout Canada, which has lasted a week or ten days, and which is forcing the poor farmers to pay an extra \$4 a barrel for gasoline.

The boys from my part of the country who work as section-hands on the railway tell me that with their ballots they received instructions to vote to strike; but that there