

—Mr. DRUMMOND: Would these rates be proportioned to the other parts of Canada?

Sir HENRY THORNTON: Proportionately, yes. I thought we made quite a low rate on inbound straw and inbound salt, and we think we were justified in doing it, because by developing a new industry, which if developed as it will be, will be a magnificent thing for the farmers of the west and the Dominion as a whole.

The CHAIRMAN: In fixing that rate you would not consider the only factor that should enter into it is the carrying of that raw material at a profit? You might carry it at a loss in the expectation and hope that you would make a profit out of the finally manufactured commodity. Am I going too far?

Sir HENRY THORNTON: No, that is precisely right. Of course, we do not carry anything at a loss if there is any way to prevent it, but we might very well be in a position in respect to one particular commodity, and be in an entirely different position with respect to another—

The CHAIRMAN: For instance, the manufacture of salt-cakes from the natural deposits in the province of Saskatchewan might be considered in the same category?

Sir HENRY THORNTON: Precisely. Perhaps the largest factor in the whole thing is a general factor. That is to say, if we can do anything in the west to make the straw useful, which is now wasted, it is a source of constant profit to the farmers, and that is in itself almost enough to justify almost any action. Have I answered that question, Mr. Stewart, to your satisfaction?

Mr. STEWART: What you have said is entirely to my satisfaction. Sir Henry (Thornton), because I am keenly interested in seeing the railways do something that will make it possible for any industry tempted to develop its natural growth. These natural deposits may be forced to overcome the geographical difficulties which they find themselves up against, so far as distance is concerned. I think your reply may be construed as a satisfactory reply to my question. I think the transport of straw to Winnipeg affects a larger number of people than the development of the natural deposits of sodium sulphate. Several companies, to my knowledge, have attempted to develop that, but it would not affect the whole population in a given section such as the carrying of straw would.

Sir HENRY THORNTON: Of course, all these problems vary in magnitude, and vary in the number of people they affect. We might have one problem which will affect only perhaps a small number of people, or we might have another problem, like the straw problem, which will, directly or indirectly, affect practically every farmer in the west, and we have to take up each case on its merits.

Mr. STEWART: The policy of the railroad is to give a sympathetic consideration to every industry, which may be considered an infant industry having possibilities for development.

Sir HENRY THORNTON: Precisely. But we must always remember that our railway, in the last analysis, has only one problem. In fact, Canada only has one problem, and that is the problem of development. If we had twice as many people in Canada as we have, I do not think we would have anything like the problems that confront us; they would automatically solve themselves. So, we feel we are justified in straining every nerve and muscle, and making every reasonable sacrifice, to assist in the development of the Canadian industries.

Mr. STEWART: There are some problems which increased immigration will not overcome. The fact that we have a natural deposit of sodium sulphate in Saskatchewan, will not bring that product into closer touch with the pulp mills of Ontario and Quebec by increased immigration.

[Mr. W. D. Robb.]