

the Minister has any motive with respect to this measure except to cure difficulties that exist.

Hon. Mr. CALDER: Hear, hear.

Right Hon. Mr. MEIGHEN: My reason for opposing the Bill is that I think he is moving along wrong lines to cure those difficulties. Our railways undoubtedly are now subject to a disability which is not only very onerous, but very unfair. They have not the freedom of action which their competitors enjoy. One phase of the Bill seeks something of that freedom of action for them, so that they may be able to carry on competition under terms of equality. They are entitled to that freedom of action if we can give it to them. It is more important in the case of the private railway than in the case of the public railway. The private railway rests upon its own base, it has to fight its own battle, whereas the public railway charges its losses up to the Treasury of Canada.

It is important to this country not only that the railways have a fair deal, but also that there be some sort of fairness on our Great Lakes if by justifiable measures we can bring that about. I do not think it is much in the line of common sense to describe shipping interests on the Great Lakes as vested interests. What is vested about them? They are bankrupt. Someone disputed that. But does anyone know of a Great Lakes company of any size which is not bankrupt to-day? The honourable senator from Kootenay East (Hon. Mr. King) said they could not go on if they were bankrupt. Why, they are going on. The biggest one of them has not paid its bond interest since—I cannot remember when. But it is operating. It would lose more by stopping than it is losing by going on. Undoubtedly there is chaos on the Lakes. Later I shall approach the question whether we are trying to overcome that chaos in the proper way.

There are, it may be said, four divisions of this measure. One part provides for adoption of agreed charges sections of the British Road and Rail Traffic Act. Under this part our railways, notwithstanding provisions of the Railway Act and of any other Act, may enter into special agreements with patrons to carry freight at agreed rates. The object is to give railroads rights which their competitors enjoy. Without doubt truck companies can and do make agreed charges. I presume they always will make them. Without doubt the railroads' competitors on the water also make agreed rates. The railways take exception to their disability in this respect, and their exception is just.

Right Hon. Mr. MEIGHEN.

But I am very doubtful yet—although I would not oppose the Bill on this ground alone—whether we have enough evidence to show, first, that this agreed rates system as it operates in England is a success. I have seen considerable evidence, which did not come before the committee, to convince me that it is not a success; that it is wholly unacceptable to the great mass of patrons of the roads, though acceptable to the roads themselves.

Secondly, even though we could take it for granted that the system has been tolerably successful in England, I do not think we have enough evidence to convince us that it would be applicable in this Dominion, where the transportation problem is different altogether from what it is in the tight little British Isles.

I know the provisions of this part of the Bill are opposed by our users of freight from coast to coast. Can any honourable senator recall a single user of freight or representative of a user of freight who appeared before the committee during its three weeks of sittings and spoke in favour of agreed charges? I have received letters containing objections which I cannot answer, though I listened to every word of evidence.

The writers of these letters present arguments which in my opinion, with the knowledge I now have, cannot possibly be answered. They say this part of the Bill would enable a railway to make an agreement with a very large concern—let us say an electric company, which produces goods of various classes and weights—an agreement not for the carrying of goods on the old basis of l.c.l. and car-load freight, the two classes into which under our Act freight is divided, but applicable to the goods as a whole. A railway could say to such a firm, "If we get all your business we will give you certain rates." It is true that, under the Bill, the Board would be able to say to the railroad, "If you do that for this immense concern you must do it also for the little fellow." The railroad would agree to that. But the small concern's products may be entirely different; they may fall into the cheap class of freight or the dear class. What is applicable and advantageous to a big concern may be wholly disadvantageous to a small one. In a word, it is contended that the essential principle of our system of railway supervision by the Railway Board could no longer be applied if we adopted the agreed charges provisions.

The essential principle is that in those classes of freight into which our traffic is divided the small and great shall be treated alike, all being charged the same rate, without