

themselves need not be sufficient. The meaning of that, if I understand it at all, is that the Board of Railway Commissioners may in the first place establish experimental rates, and in the second place maintain them on a basis that will not provide an adequate return for the service that is rendered. Every consideration of what the railway must pay in wages, for the maintenance of lines, for the purchase of coal and other supplies, for rolling stock and all that sort of thing, must be left entirely out of the picture, and the only consideration must be the development of trade and the marketing of goods.

If that is to be the case, I would ask my hon. friend how he expects the railway companies to carry on. Who is going to pay the bill? For a couple of weeks in this house we have been discussing the problem with which this country is faced by reason of the position in which the railways now find themselves. The people of Canada to-day have to provide directly or indirectly, through advances made to the government railways and to the Canadian National Railways a sum of \$100,000,000, which must be raised by taxes, because the returns from the earnings of the railways are in themselves entirely inadequate. The Canadian Pacific Railway Company, the finest transportation system in the world, is carrying its commodities at lower rates than any other transportation system in the world except its competitor the Canadian National Railways. My hon. friend may search the rate structure records the world over and he will not find anywhere commodities carried at a lower rate than they are in the Dominion of Canada. In the country to the south, in Europe, Australia, and any other country where he may go he will find higher commodity rates, higher mileage rates, higher rates in every respect than are granted on the commodities of Canadian farmers, Canadian manufacturers, Canadian lumber producers. Every producer in this country can market his commodities at lower rail costs than a producer of similar products in any other country of the world. Yet my hon. friend suggests that we should put into the hands of the Board of Railway Commissioners a power that will make it possible for them in every part of Canada, in relation to every commodity that Canada produces, and in relation to every producer who has goods to transport, to fix a rate which, as the bill itself deliberately states, may not yield a reasonable or adequate compensation. Who, let me ask again, is going to provide the money to carry on the railways?

[Mr. Nicholson.]

Mr. NEILL: The increased traffic may provide it.

Mr. NICHOLSON: If you eliminate the rates, an increase in the traffic will only increase the burden. You put commodity rates at a level below the cost of carrying them, and the more the railway carries the worse off it is. There are commodity rates of that type in force in Canada to-day. There may possibly be compensating advantages arising out of some special rates; at the moment I shall not argue that point. I have taken the position ever since I have been in this House of Commons that these matters should be discussed before the Board of Railway Commissioners. One of the best pieces of legislation ever placed upon our statute books was that constituting the board of railway commissioners, because it took out of the political arena matters which should not be discussed politically, and made a general law applicable to all parts of the country. It eliminated sectionalism and all other considerations than those related to sound business policy. The formation of the board enabled the railway companies to give to John Smith and to everybody else service on an equal basis and without discrimination.

Under the suggested change I could go to the Board of Railway Commissioners and say: "If you will give me a certain rate I will establish a new industry, and undertake to give you ten, fifteen, thirty or forty cars of goods to carry each month." I do not suggest a rate which will make it possible for them to earn any money,—no; but it will enable me to build up a business. My neighbour may do the same thing. They could give me a rate entirely different from that given to another person at another point in the country who might be carrying on a business similar to that which I propose to create. There is no question whether we are being treated on an equal basis. They give me an entirely new rate, because it is in the interest of what they conceive to be trade development.

I submit the Minister of Railways was quite right when he said that the business of trade development, and the policy the country should follow in building up trade, is not the concern of the Board of Railway Commissioners. It is the duty of that body to act judiciously and to maintain a proper balance between all persons who are trading or developing trade, who are the producers or distributors of products in Canada. This House of Commons should not say to the Board of Railway Commissioners: "It is your duty to ignore every element of sound busi-