

our hands. Should the Government or this Parliament decline to operate the road and let it fall into disuse? That is a very serious question. We have to face this fact: great vested interests have been created all along the line. Settlers by the hundreds of thousands have gone in there and are making their homes in the towns and villages that are being built up along the line, and to abandon the road would be a great hardship upon these people. It would therefore seem to be the desirable thing that this country should operate the road, but the road cannot be operated properly, except at an enormous annual deficit. The same remarks will apply very largely to the Grand Trunk Pacific, which was driven through the mountains at an enormous cost. This country has spent, I believe, no less than \$400,000,000 or \$500,000,000—let hon. gentlemen mark those figures—in unnecessary railroads paralleling each other in this country. Witness the tragedy between this city and the great city of Toronto. The old Grand Trunk, fifty or sixty years ago, had a monopoly of that territory. It had a double track between the two cities and was entitled to the traffic derived from that great territory. It was able to take care of all the traffic, but the territory has since with the consent of Parliament been invaded by the Canadian Pacific and the Canadian Northern. It is no wonder when you duplicate lines in this way that railroads do not pay, and that there is an annual deficit. All the railroads that we have taken over have been forced upon the country. We must have railroads. Transportation is almost as great a necessity as bread and butter, and consequently these railroads must be kept in operation. The Government was faced with this position: These privately owned roads came to an end. The Grand Trunk refused to operate the Grand Trunk Pacific, and absolutely refused to take over the Transcontinental. What could the Government do? Could it allow the hundreds of thousands of people who had settled along these lines to go without railway service? Why, if that had been done, there would have been a rebellion in the country.

Mr. MACLEAN (South York): Give the road to the Canadian Pacific.

Mr. RICHARDSON: We cannot afford to give it to the Canadian Pacific. We have already given them hundreds of millions of dollars. The Government was faced with

[Mr. Richardson.]

this vital problem: It had either to take over these roads or let the country go without transportation. That is the tragedy of the situation. There was absolutely no other sensible course for the Government except to take these roads over. It is all very well for the hon. gentleman to prattle about private ownership under public control, but we were faced with an issue, and that issue had to be met, and it was met in the only possible way it could be met. Hon. gentlemen will say, and they do say, and it is reiterated throughout the country, that we are piling up enormous deficits in the operation of these publicly-owned railroads. Surely we are. The deficit last year amounted, I understand, to \$47,000,000. But let us remember that during all the years that have gone by, the people of Canada have continually contributed in bonuses and subsidies to keep these roads going. That policy of bonuses and subsidies went on for decades until the time came when the people would not stand for it any longer. I believe the feeling of the country was that they would sooner take over these roads and operate them themselves and know exactly what the deficit was. It is true we have this deficit, but that deficit, I repeat, is no greater than the amount it would otherwise be necessary for us to put up by way of bonuses or subsidies to keep these roads going. Let me say to those who denounce this deficit on the Canadian National railways that during the war the United States took over and operated the railways there, and their loss in operation during the war was almost one billion dollars. So we have not done so very badly in Canada. Now that we have the railways, I believe that we shall be able so to co-ordinate them, and bring about such vast economies in the running of freight and passengers trains and through the amalgamation of ticket and freight offices, that we ought to be able to make the roads pay.

While I am on my feet I want to say a word with reference to a proposed increase in freight rates. In the debate on the speech from the Throne I spoke on this subject, because I believed this Parliament should hesitate before authorizing or recommending any increase in freight rates. Let us look the conditions squarely in the face. The country has been loaded with an enormous railway liability. I believe that we have no less than \$500,000,000 in value of roads that should never have been constructed.

The Transcontinental I have already alluded to. Is it a fair proposition that freight