

the public service. In so far as the government-owned railways are concerned, they constitute a department of the public service. The analogy to that extent is surely perfect. They are both departments of the public service which one might call "carrying departments." In the one case they carry letters, and in the other case they carry goods and persons. You might compare the various stations on your railroad to the various post offices. You might compare your station-masters to your postmasters. You have public expenditure in each case, and you have public incomes in each case. The analogy is absolutely perfect from Alpha to Omega.

I cite this as the view of the hon. member for Red Deer twelve months ago;—you have heard what he said on the same question to-day when it is again brought up by the member for Shelburne and Queens. What has caused this change of attitude in such a short time? Is it that his association with the Union Government has caused deterioration of his mind? I should be very sorry to think so, because for some time the hon. gentleman has been flirting with us on this side of the House. I only hope that when he does come back he will be mentally in as good a condition as he was when we turned him over to the present Government.

Mr. A. M. DECHENE (Montmagny) (Translation): Mr. Speaker, I would like to make a few remarks before this debate closes. I am particularly anxious to state my views, considering that the second reading of this Bill has been secured solely through the use of the gag; and to say where we stand on this side of the House as regards public ownership of our railways and other great services of public utility.

For many years past, this country has made several attempts in that direction, but without avail. For nearly forty years, we have managed the Intercolonial railway, covering some 1,800 miles in length, and I don't think that there can be found many statements issued by the management of that road and by the Minister of Railways up to now, showing surpluses. And yet the present Government had placed the management of that road in the hands of experienced men, to whom they were paying very large salaries, men who were borrowed from the Canadian Pacific Company and who had put into practice the ways and means in force on that system; however each year there are tremendous deficits on the Intercolonial railway. This shows clearly that it is impossible to get any return, out of the great public services, under political management.

But, Mr. Speaker, when you read carefully clause 16, which it is proposed to amend today, I think that even the mover of that clause had a doubt in his mind as to the possibility for the country to get any returns from that new road (Canadian Northern) or from any of the subsidiary companies.

As a matter of fact, if you study closely that clause, which includes some fifteen lines, you notice that it refers almost entirely to deficits and to the way such deficits should be met. In the last three or four lines, it is provided that should there be a surplus, it can be disposed of without the consent of Parliament. Therefore, is it not equivalent to an admission on the part of the Government, that they do not expect any surplus nor that the company, created by this Bill to administer the railways of this country, is likely to give any profits in the near future?

If there be any doubt that the present managers—and these managers will in all likelihood be retained—are unable to show a profit in their present undertakings, while we have before our eyes the example of what has happened in the past; that with vast subsidies being voted every year, the Government or the managers appointed by the Government were not able to gain any financial success, then there was certainly good reason for including the following proviso in section 16: "if any profits should accrue then the said profits are to be administered in such and such a way;" which amounts to this: they could be thrown back into the mill again to emerge in the form of a deficit.

But, Sir, this section, along with the others, allows the Government, allows the directors to take over the monies of the various companies and use them as they see fit. No doubt, we members of Parliament sent here by the people to look after their interests, have something to say on this matter.

I believe the country would be very anxious to know just what percentage of shares we have in the capital stock of the subsidiary companies mentioned in the schedule attached to this Bill.

My own opinion, and I believe that I am at one in this with several hon. members on this side of the House, is that our interest in several of these companies is decidedly small, although sufficient to give us control. In several of them we have, I believe, merely 51 per cent or 55 per cent of the stock. Else, how comes it that, since we have taken over the Canadian Northern and its subsidiary companies the Govern-