

He said: The subject matter of this motion has been before the house on a good many occasions. I realize that in bringing it forward again at this session I may be told that the times are not so good for the consideration of a motion such as this. I believe, however, that it is a matter of sufficient importance to warrant discussion, and that we should try to deal with it. The question was discussed at the last session and the outstanding problem then before the house was the fact that various reports had been made by different bodies of engineers and that there was some dispute as to what route ought to be followed in the construction of the Peace river outlet. The Minister of Railways (Mr. Manion) is reported at page 4021 of Hansard, 1931, as having said:

We should not undertake in this country the construction of very costly lines of railway which will duplicate the mistakes of the past, without a proper investigation into the whole situation and an endeavour to avoid any such condition. After all, it is far better to have the two railways agreed upon one specific route and to have the government cooperating with them.

The subject was again referred to a body of engineers, and it is quite plain from the letter that was written by the Minister of Railways to the engineers that this was the point he had in mind. Paragraph 2 of his letter reads:

Information in connection with this subject matter has already been obtained under investigations covered by two reports leading to different conclusions, and it is desired that with the information so submitted (if sufficient), the committee examine the subject matter further, first from the viewpoint of serving adequately the local territory and, second, from the viewpoint of serving the Dominion of Canada as a whole.

The engineers were J. M. Fairbairn of the Canadian Pacific Railway, C. S. Gzowski, of the Canadian National Railways and C. R. Crysdale, consulting engineer, a gentleman who previously had been engaged by the Alberta government on the Northern Alberta Railways. The engineers' report deals with almost everything except that one problem. We have at least five reports in connection with the Peace River outlet. I have copies of four of them, and the Canadian Pacific Railway has a report of its own which has never been tabled in the house. The report with which I am dealing does not deal with that problem at all. Going through either the report of 1925 or the subsequent reports of 1926 and 1929, as well as the report of last year, one cannot fail to be impressed with this certainty, that the engineers are in no way enthusiastic about the project. They state in the first paragraph of this report that

they are dealing with the matter from the standpoint of railway economics. They also state, however, that there are other matters to be considered, that these are:

. . . certain other potential, intangible, or prospective possibilities, which to-day are impossible to give a definite railway weight to, but which in themselves are more important than the tangible prospective traffic which can, with reasonable assurance, be forecast to-day. In such a case, from our premises we would select the former.

That is railway economics. The engineers are looking at the question purely from the standpoint of whether or not the railways by building this road might be able to make some additional money, make a few more dollars. They do not deal with it at all from the standpoint of the Dominion of Canada as a whole nor in relation to other matters such as unemployment or how the development of that country through the building of the Peace River outlet would improve business generally in this dominion. They consider no other factor than whether the railways would be able to make some additional money by building this road. It is purely a question of what the railways can gain out of it. Let me say at once that there are certain economic interests of the settlers of the Peace River country that are antagonistic to the interests of the railways. I am not blaming anyone for that, because it just happens to be that way. To-day everything that goes into or comes out of the Peace River country goes over a longer haul at a higher rate than the railways could expect to get under ordinary rate-fixing conditions if a Pacific coast outlet were built to Vancouver, Prince Rupert or Stewart. Depending on the points that are taken in the Peace River country, the mileage that would be cut off by a route constructed to Vancouver, for instance, would be somewhere between two and three hundred miles; to Prince Rupert, between two and four hundred miles, and to Stewart, possibly six hundred miles. Under present conditions, with joint ownership of the Northern Alberta Railways, the railways have, of course, a complete monopoly of all that traffic, and the rates on grain between the Peace River country to-day and Vancouver or Prince Rupert run from five to ten cents higher than from Edmonton. But if an outlet were built to the Pacific coast we could expect at least a rate only from three to five or six cents above Edmonton. There is no question about it, looking at it from the standpoint of railway economics, that without any additional investment at all the railways are getting a higher rate to-day than they would get if a