

no doubt in the mind of any hon. gentleman who has considered the question at all that the representatives of the people, sanctioned by the people, have made appalling mistakes in railroad policy. Both sides are to blame, and we can probably fairly dismiss the subject with that statement. But we have entered upon a new era. The "babies" that the Acting Prime Minister referred to have not come to the country because the country desired them—that is a point I have tried to drive home a number of times in this House and I want to repeat it.

We are not going to have ideal public ownership at all. If we had started as the Hon. Alexander Mackenzie endeavoured to start, and had had public ownership from the first, we should have ideal public ownership and this country would be many hundreds of millions, if not billions, of dollars better off. But that time has passed and we have these babies thrust upon us. I think therefore that hon. members of the Opposition are in duty bound to assume their share of the responsibility for dealing with these children, inasmuch as they are equally responsible for bringing them into existence.

I have been struck, when reading the press of this country, to find papers like the Montreal Gazette and Montreal Star denouncing public ownership day after day, when it must be apparent to every hon. member and every citizen that there is no other policy to be pursued. Lord Atholstan, the proprietor of the Star, took a hurried trip through the Western provinces last fall, and he announced that he was studying the railway question. Of course the Star is strongly against public ownership. Do these newspapers and do hon. members of the opposition desire that this country shall hand over to the Canadian Pacific Railway Company all these railways that we have acquired, including the Grand Trunk, which doubtless soon will fall into our hands? Because if they adopt that policy the probabilities are that the country will be called upon to make good any deficits that may arise in connection with these roads.

My hon. friend from Maisonneuve talks of private ownership. Private ownership has been the curse of the whole business. Private ownership has driven the great Canadian Northern System—hundreds and hundreds of miles of which never should have been constructed—into the hands of the country; we cannot help ourselves. The same thing has happened in regard to the

[Mr. Richardson.]

Grand Trunk Pacific and the Transcontinental.

Mr. LEMIEUX: May I interrupt my hon. friend? Assuming that private ownership is somewhat dangerous, does he not think that the Railway Commission can curb any predatory instincts inherent in private ownership by controlling freight rates?

Mr. RICHARDSON: I do not think so, and I will tell my hon. friend the reason why. I hold in my hands—I would like to read it, but I must hurry along—a copy of the Montreal Gazette, one of those papers that backs up Lord Shaughnessy 11 p.m. in denouncing public ownership, and which follows the lead of the Montreal Star in that direction.

Mr. BUREAU: There is no harm in that.

Mr. RICHARDSON: The Montreal Gazette says that when these railways come into the hands of the country the Government must see to it that rates sufficiently high are charged to pay operating expenses, upkeep and interest at 5 per cent on the capital invested. The capital cost of the Grand Trunk Railway is \$127,000 a mile. In my judgment, it will be impossible, until Gabriel blows his trumpet, to pay 5 per cent on such a cost per mile.

Mr. LEMIEUX: My hon. friend is not so optimistic as some of his colleagues.

Mr. RICHARDSON: The capital cost of the Canadian Pacific railway is \$68,000 a mile. Now, you see how these newspapers play into the hands of the Canadian Pacific Railway, because if the Government compels these railroads to charge rates to give a return of 5 per cent on the enormous capitalization, we cannot compete with the Canadian Pacific Railway at all, and that is where public ownership would get a black eye at the outset.

Here is the only remedy—and I want my hon. friend, the leader of the Opposition, to follow me. I believe the party to which he belongs is a little more responsible than any other party for the great mistakes that have been made in the construction of these railroads. The Grand Trunk Pacific cost something like \$97,000 a mile, and the Transcontinental cost an enormous sum per mile—I cannot give the exact figure. If the country has to take over these roads and set rates to pay operating expenses, upkeep and interest at 5 per cent on this vast over-capitalization, public ownership is a failure from the start. We must take our medicine. Both parties are equally responsible for the colossal mis-