

National Railways and that we must be prepared to keep on giving it almost indefinitely. I do not say the country cannot stand that. It is certainly a serious strain, though, and many people fear our solvency is involved in the situation.

I realize we all have been a bit disappointed because there are in evidence so few economies from co-operation which we hoped would be developed between the railroads. Honourable members know my views on that subject, for I have expressed them before. I am convinced that the desired co-operation can never become effective except under pressure. If the time comes, as I believe it will, when we shall have to bonus our railways, we can then probably use some influence to bring about that uniformity which is absolutely essential to the best economic management of our railway systems.

I have been hopeful that the apparent coalition which is in evidence in another place might result in the bringing down next session, at the latest, of a measure which would deal with this entire transportation problem; that unanimity of thought in the other House should bring forth a really forward step towards solution. If it should, I am sure every member of this House would acclaim it.

But what about the Bill before us? It deals only with the fringe of our problem. It has been said that it is not well worked out. Certainly the evidence before the committee, the many amendments made, the uncertainty of many honourable members of the committee as to the working out of the details, the regulation of business involved, the impossibility of dealing with truck and bus competition—the constitutional issue,—the little benefit that the Bill offers to business, and other reasons, justify, I think, the statement that the measure has not been well considered, and that, if enacted, it would be a very uncertain factor in our transportation problem.

It is not my intention, honourable senators, to review much of the ground gone over yesterday, but I do want to refer to two items in the Bill which strike me as very important. The first is agreed rates. Now, if I understand the expression, "agreed rates" means that some shipper who has sufficient business to interest the railways may enter into a contract to have it carried at less than the current rate, subject to the approval of the Railway Commission. That implies two rates, one for the particular shipper and a somewhat higher rate for the small shipper who has not the same advantages to offer the railways.

Hon. Mr. KING: On the same commodity?

Hon. Mr. McRAE: On the same commodity. It seems to me, honourable senators, that that is turning back the clock about thirty years and approaching somewhat the condition that existed before the Railway Commission was established.

Hon. Mr. DANDURAND: The honourable gentleman knows that the small producer can get the same rate by applying to the Board.

Hon. Mr. McRAE: I quite understand that. But is that fair? Naturally the large shipper gets his rate based on the business he has to offer. I know that the little shipper can come to Ottawa and appear before the Railway Board. But I ask the honourable leader, can that man afford to hire lawyers to present his case?

Hon. Mr. DANDURAND: I think he does not need that assistance.

Hon. Mr. McRAE: Probably he does not. But will he have the ability or the courage, or can he afford the expense, to present his case properly? We are going back to the conditions that prevailed thirty or even fifty years ago. We are going back to conditions that, in part, built up the great trusts of the United States. I remember reading the history of the Standard Oil Company. The company was built up on that system. It went a step further. It not only got advantage over the little shipper, but it also collected what he paid over and above its rate.

Hon. Mr. DANDURAND: May I interrupt my honourable friend? I have considerable esteem for his judgment. He has told us of the very precarious situation of the railways. The purpose of agreed rates on the railways is simply to allow the railways an opportunity similar to that which trucks and lake shipping have in being able to make agreed rates. The railways say, "If we are to live, surely we should be given that equal treatment."

Hon. Mr. McRAE: The honourable leader is quite correct. It developed in the committee that the trucks were making special rates for Woolworth's and other big department stores, lower than those made to individual shippers. I am sure a majority of the members of the committee felt that this practice was not fair and should be changed. I say you cannot correct one mistake by making another.

Hon. Mr. DANDURAND: No, but you can put them on an equal footing before the Railway Commission.

Hon. Mr. McRAE: We are on the right basis now, but I contend that if we adopt this system in order to correct an unfair