

the shippers, he ought to tell this committee so. I will take occasion a little later to test my hon. friend and to make it clearer, when we come to that clause, that the Canadian Northern railway shall not be bound to act upon any directions which will be given to it as to the routing of traffic. And if the Solicitor General and the Government are sincere, they will accept my resolution. I never thought before that it could be done, never thought that the right to route traffic could be taken away from the shipper. I understand that Parliament might be induced to give them authority to refuse freight; they could not do it without Parliament's authority. Is it the intention of the Government that when this Bill becomes law the Canadian Northern railway may refuse to serve shippers unless they route their freight over Canadian territory and via Canadian ports? Is it the intention that the company shall be able to say to the shippers of goods in England—although the company may have a line running to Boston—that they will not receive goods except by steamers going to Canadian ports? If Parliament so declares, that will be the law, and I recognize the advantage of it. But if that be the intention of the Government it should be made much clearer than at present. The present clause seems to be ingeniously designed to convey to the people the idea that that would be the effect without actually making that the law.

There is another extraordinary provision in the resolution, and I think when I call your attention to it, Mr. Chairman, you will see that the words of praise that were bestowed on Mr. Lash by the Minister of Finance were well deserved, because he has 'put it all over' this Government in the clause to which I am about to refer. This company is coming to Parliament for favours, and is receiving a greater favour than was ever bestowed on any railway company in the history of Canada. Yet these resolutions provide that this favour-seeking company shall have the right to say upon what parts of the Government Railway system they desire running rights and the Government shall be bound to give them those running rights; the Government shall have no right to say on what part of the Intercolonial railway or other Government railways these running rights shall be exercised but has bound itself in terms as clear as terms can be that these running rights shall be granted to the Cana-

dian Northern Railway Company, subject only to the terms being settled by the Board of Railway Commissioners. Let me call your attention to the language of the clause, the most extraordinary that has ever been brought to my notice. I refer to section 7 of the third schedule:

The Government covenants with the Canadian Northern that it will from time to time enter into agreements with the Canadian Northern or with any constituent company, giving running rights over such parts of the Government railways as may be desired—

Desired, of course, by the Canadian Northern Railway Company.

—and the terms and conditions of every such agreement shall be such as the parties thereto may agree upon, or in default of agreement, as may be settled by the Railway Board, and the Railway Board shall have power from time to time upon the application of the Governor in Council or of any party to any such agreement to vary, modify or rescind the same provided always that every such agreement shall be subject to any existing agreements with any other company or companies.

Now, as to the Intercolonial railway. there is an agreement with the Grand Trunk Pacific giving that company running rights. Therefore, this agreement would be subject to the first arrangement with the Grand Trunk Pacific. But as to the Hudson Bay railway, there is no agreement with any other company, and this section gives the Canadian Northern railway the prior right to have running rights over the Hudson Bay railway. As I read that clause, the Canadian Northern railway have simply to demand it from the Government and they secure an agreement for running rights over the Hudson Bay railway. If they can agree upon the terms, well and good; if not, those terms are to be settled by the Board of Railway Commissioners. And so as to the St. John Valley railway which is of great importance to the province of New Brunswick. There is no agreement with any other company for running rights over that road, and the Canadian Northern railway is to be given the prior right to exercise running rights over that railway. We know that no railway company would think of taking, and no Board of Railway Commissioners would think of compelling them to take, running rights over any long distance of railway unless it involved the right to stop at stations and pick up local traffic, both passengers and freight. Therefore, when the Canadian Northern railway chooses to demand running rights over the St. John Valley railway, no other company would think of taking rights subject to these prior rights of the Canadian Northern railway. The people of