

way in the world. We should remember that first we built canals to fill the need of a slow, cheap form of transport. The railways came after, offering a fast service at a higher cost.

Because of the geographical nature of the country the railway systems and the waterways are not antagonistic to one another, and do not clash in any way. On the contrary, they are beneficial and supplementary one to the other. Passengers, express and fast freight will use the railways; heavy and bulk freight, if it is to move at all in our country, will have to make use of both rail and water. No grain would move east from Fort William to Montreal, New York, Saint John, Halifax or Quebec, if it were not for the lake carriers. The rate would be prohibitive. The low water rate is what enables Canadian grain to compete with grain of any other country in the world. If it were not for the St. Lawrence river we could not have Nova Scotia coal in Ontario. It could not compete against the coal of the United States. We tried two or three years ago to bring Alberta coal into Ontario, but the attempt was a complete failure; it could not succeed unless the railway companies were subsidized.

Let me quote as an authority no less an expert than Mr. Chauncey Depew, President of the New York Central Railway. As everybody knows, that road is paralleled by waterways for the entire distance from New York to Chicago. In giving evidence before the United States Senate Committee in 1875, Mr. Depew used these words:

There is a feeling that the railways are hostile to the waterways. I want to say that is not true. There has always been a feeling that the New York Central was hostile to the Erie canal. I should regard it as a great calamity if the Erie canal ceased to be operated as it is. Personally I voted for a free canal. The Erie canal forced to New York an immense traffic we ordinarily get; we get the surplus that comes by lake to Buffalo seeking the canal. I am speaking as a New York Central man now. Whatever helps New York helps the New York Central road. The Erie canal helps New York, and therefore we are in favour of the Erie canal.

I say, in consequence, that whatever will help Montreal, Toronto or any big city in our country, will help the Canadian Pacific and the Canadian National.

I have also the opinions of Sir Henry Thornton, Lord Shaughnessy, the Duff Commission, and Sir Alexander Gibb again. As the honourable senator from Vancouver (Hon. Mr. McRae) has said, we should like to see someone tackle this problem of the railways. I for one would support any drastic measure that would help in settling that problem; but I claim that not only are we not helping the railways by fixing water rates, but we are

Hon. Mr. RAINVILLE.

getting less of the east-bound traffic and are running the risk of helping our American friends to carry more wheat and other commodities from Canada through American channels. This traffic alone, according to one authority that I have, is bringing to the railways and canal boats of the United States, and to the different harbours in the form of dues, more than \$20,000,000 a year which should be expended for the benefit of all the ports of Eastern Canada.

Confederation was based upon east-and-west transportation, and cheap transportation is the best means of uniting East and West.

I do not know whether the Hon. Mr. Rogers has studied this Bill, but the other day, the 2nd of March of this year, to be exact, I read in the Montreal Gazette a report of a speech by him in which he used these words:

Clearing the channels of trade rather than a rigorous policing of business is the policy of the present Government.

Right Hon. Mr. MEIGHEN: He made a bad slip there.

Hon. Mr. RAINVILLE: Imposing rates is not the way to clear trade channels in Canada, and I am sure that in voting against this Bill I am voting for the principle voiced by Mr. Rogers himself.

Right Hon. Mr. GRAHAM: I should like to hear him reply to that.

Right Hon. ARTHUR MEIGHEN: Honourable members, I desire to place on record in what is perforce a very brief space of time my reasons for the vote which I shall give. When this Bill first came before the House I made a promise to the Government in the House that I would view it sympathetically and treat it throughout in the same spirit. I think that up to now I have done so, and I do not think any other opinion of my attitude can logically be taken from what I shall say here at the last.

The reason I felt as I did was that I knew there were evils to be cured, inequities to be removed. I knew the situation of very important concerns was exceedingly difficult, and to find a way of remedying the inequities, removing the inequalities and restoring if possible some sort of reasonable prosperity to deserving companies was an object well worth while.

I have seen in a paper published in the city of Ottawa an article written by a gentleman who certainly has not given to this subject as much study as have members of the committee, and who, in my judgment, does not know the spirit of this House. In this article he said this Bill would be passed unless the Conservative majority in the Senate decided