

10. The rate on ore from Hall Siding and other points on the N. & F. S. Railway south of Nelson to Tacoma, is \$6.25 per ton.

A glance at 1 and 2 is sufficient to convince any one that this is a discrimination against Nelson in favour of Northport.

That is not my comment; that is the language of the report:

A glance at 1 and 2 is sufficient to convince any one that this is a discrimination against Nelson in favour of Northport.

The same thing applies to 7 and 8. It is clearly a discrimination against Nelson and Pilot Pay in favour of United States smelting points, and as both the N. & F. S. Railway and K. & S. Railway were subsidized by the provincial legislature, and their rates are under the supervision of the Lieutenant-Governor in Council, we consider it is the duty of the board to protest to the legislature and the Lieutenant-Governor in Council against this discrimination, and we recommend that a letter be drawn up setting out the above facts, and addressed to the provincial secretary and our member, Mr. Hume.

With regard to freight rates on merchandise coming into this country, we consider that the most important point against the business welfare of Nelson is the practice of the distribution of carloads to different consignees at different points on straight carload rates, and the notorious "balance of rate" rebate scheme, by which merchants at Revelstoke and Nakusp can ship in carload lots to either of those places and re-ship in small lots to Nelson, Kaslo, Rossland and other points in the district, getting a rebate equalizing the rate to regular carload rates to these points, and as this privilege is not conceded to Nelson merchants, or to any one shipping carloads to Nelson for distribution, it compels jobbers doing business in the district to ship their goods and establish warehouses at Revelstoke instead of at Nelson. If the practice is continued, we consider that Nelson should be placed on the same footing in this respect as Revelstoke to Nakusp.

Your committee further recommend that a committee of this board be appointed to confer with the different railroads centreing in Nelson, as to what steps should be taken in order to make Nelson a terminal point, and thus allow her merchants to compete for the wholesale trade.

Now, Mr. Speaker, that report can leave no doubt whatever in the mind of any hon. member that Mr. Corbin, so far as he has had the facilities to discriminate against our people, has done so. That report and finding were communicated to Mr. Corbin, who was in New York at the time, some six or seven weeks ago, and I wish to read the reply which Mr. Corbin wired to Mr. Martin, who is his agent at Nelson. This is the reply:

Put Croasdale exactly on the same basis as Northport, provided we are not discriminated against;—

Here is this man talking about discrimination:

—but, to avoid misunderstandings, suggest waiting my return.

And so we have no assurance that he has equalized things even yet. He says:

But, to avoid misunderstandings, suggest waiting my return, when the whole question can be discussed and settled.

And here is a peculiar little wind-up:

I don't think Nelson is treating me or themselves well in opposing my extension to boundary; you can show this.

The Minister of Railways interrupted me a few minutes ago and said that the Nelson Board of Trade were in favour of granting this charter. You will see from that telegram that Mr. Corbin there recognizes the fact that at that time they were not in favour of it, for he says that he thinks the board of trade are not treating him well.

The MINISTER OF RAILWAYS AND CANALS. They sent a telegram in support of it.

Mr. McINNES. I do not dispute that for a minute, but I say that undoubtedly at that time the Nelson Board of Trade were hostile to Mr. Corbin's extension, and if they have turned since, I think we may possibly find a clue to it in the concluding sentence of this telegram, in which he intimates that these freight rates will be equalized when he gets back there.

Now, Mr. Speaker, considerable has been said along the line that this is an effort on the part of the Canadian Pacific Railway to defeat this charter, so that they may monopolize the trade of that district for themselves. I do not think any person in this House will accuse me of being over friendly or partial to the Canadian Pacific Railway, but, Sir, I conceive that in this instance there are other and larger interests involved than any question of friendly or unfriendly feelings towards a single corporation. I conceive it to be a fact that in this instance, at any rate, the interests of the Canadian Pacific Railway in seeking this extension, harmonize absolutely with the interests of the country. But it is not necessarily a question of giving the trade of that country to the Canadian Pacific Railway if this charter is not granted. There is another railway company in existence—the Victoria, Vancouver and Eastern Railway Company—a British Columbia company, a company that has practically the unanimous endorsement and support and sympathy of the people of British Columbia. They have a charter from the local government to go over this very same ground, and they have a subsidy from the provincial government, which shows that they are considered in the province to be a substantial company, with the endorsement of the people; and there is no reason at all why, if this Bill is defeated that that company should not build the line as well as the Canadian Pacific Railway Company. They are as independent of the Canadian Pacific Railway Company as—

Mr. MORRISON. Oh.