

arrives. I am deeply interested in the development of western Canada, and I want to assist that part of Canada in every way I can. But before we go on with this project the people of Canada must be given some definite information by the government as to what is intended in the completion of the Hudson Bay railway. Mr. McLachlan, the resident engineer of the Hudson Bay railway since 1913, reported to the Department of Railways and Canals under date of February 6, 1923, to the effect that the dredging, the docks, the elevators and the completion of the road would cost \$27,071,000; that the ties had to be relaid on some 322 miles of the road at a cost of \$1,112,000; that 50 locomotives and 1,200 cars would be required, and that it would cost in the neighbourhood of \$16,000,000 to handle not more than 400,000 bushels per day up to a total of 24,500,000 bushels for the season. To the above must be added the cost of ships and aids to navigation, to the extent of \$20,250,000, making a total outlay of \$48,443,000. He places the open navigation season as from 20th August to 20th October and fixes the number of bushels that can be handled in any one year at 24,500,000 bushels. The gross receipts for eastbound traffic on 24,500,000 bushels at the rate now paid from Saskatoon to Fort William would equal \$1,661,041. Westbound traffic is estimated at \$67,200, making a total of \$1,728,241. On page 48 of the return Mr. McLachlan says that from the above figures it appears that grain can be delivered to a ship in Montreal more cheaply than to a ship at Port Nelson after the Welland canal is finished. The cost of operation, if you take the interest on \$48,000,000 at four per cent, means \$1,917,212; the maintenance \$825,952 per year and the operating expenses in the neighbourhood of \$8,000,000. The loss on the road without reducing freight rates would be \$8,000,000 including fixed charges. The handling of 24,500,000 bushels out of a crop of 400,385,000 bushels such as they had in 1925 is too small a matter to be of any benefit to the western farmer. A further report made by the resident engineer to W. A. Bowden, dated 17th September, 1917, concludes as follows:

I have no longer any hesitation in saying the Hudson Bay railway is doomed to certain failure. There may be fish in Hudson bay, but there is no fishing season. There may be minerals on the east coast but they are as accessible from Halifax as from Port Nelson. There is nothing for the Hudson bay north of the Huronian rock outcrops south of Split lake so long as the St. Lawrence river route is available, and as for agricultural possibilities north of the same point there are none.

Mr. BIRD: Has the hon. member investigated these statements?

Mr. STINSON: Mr. McLachlan has been resident engineer since 1913, and I assume he is in a much better position to give a report than the hon. member or myself.

Mr. BIRD: Does the hon. member think he is qualified to give a report on agricultural conditions?

Mr. STINSON: A man who has lived in that area since 1913 ought to be in a position to give a report of some kind. I am putting these facts before the House simply that we may give the matter our serious consideration.

Mr. BIRD: The hon. member quotes Mr. McLachlan as saying that a certain amount of expenditure will be required on cars and locomotives to carry grain to Port Nelson.

Mr. STINSON: Yes.

Mr. BIRD: Does the hon. gentleman not think those cars and locomotives will be required to carry that grain just the same whether the Hudson Bay railway is built or not?

Mr. STINSON: If we are now carrying the grain with our present railway equipment, unless you greatly increase your production in the west we shall still be able to carry it as we are doing to-day. While you may have another outlet at Hudson bay, you will only be taking a certain quantity of freight away from the two railways which are at present carrying it. I am not discussing this matter in a controversial way at all; I am simply discussing it in order that it may be given the serious consideration to which it is entitled, because at the present time we have railway problems on our hands and we do not want to take a leap in the dark and spend another fifty million dollars unless that expenditure is going to give the people of the west the benefit they claim it will give them.

Another matter that I would like to touch on for a few moments is the question of rural credits. As a fundamental principle I do not think any government should be in the lending business. During the last few years a feeling has grown up that paternal legislation is a panacea for all the ills of the nation. At the present time we have insurance companies, loan companies and trust companies who are carrying on this business, and who have both before and since confederation supplied mortgage credits to the people of Canada. They have been a large factor in the development of this country, and they have helped the farmer to cultivate his land, the artisan to acquire his home,