

Hon. Mr. CALDER: Oh, yes; when both sides put their hearts into it. The trouble is that neither side will put their heart into it.

Hon. Mr. HARDY: Hear, hear.

Hon. Mr. CALDER: Because there is not the same incentive on the part of both to co-operate, you have an impossible condition. You cannot create economies in that way. All my honourable friend does is to express a pious hope of fuller co-operation. But no attempt is made to enforce co-operation. I should not say the representatives of the two railway systems have dawdled along; undoubtedly they have worked hard; but conditions are such that effective co-operation simply cannot be achieved. That is my considered opinion.

During the course of our inquiry we received a mass of very interesting evidence. The witnesses prepared their evidence very carefully, and all of it, good, bad, and indifferent, was very helpful to every member of the committee in getting a fairly comprehensive grasp of our railway problem.

I want to refer to only two phases of the evidence, which appealed to me very forcibly. In my opinion, the most startling evidence adduced was that relating to the progressively declining earning power of the railway as a transportation facility, not only in Canada, but elsewhere as well, the world over. In view of all that has gone on during the past two years, I doubt very much whether anyone in this Chamber fully realizes what is taking place in connection with transportation. It is not an event, it is a veritable revolution, and it is changing the status of the railway everywhere. Unless we visualize that properly we cannot begin to deal with this problem confronting us, for that revolution is the crux of the whole situation.

So far as I can recall, we had no rebuttal evidence of any consequence—I should like to be corrected if I am wrong—indicating that any new set of conditions which may prevail in the future, either within or without Canada, would tend to prevent this declining process from continuing, except probably in a temporary and minor way. I ask all members of the committee: What evidence had we, as a committee, that anything would occur either in Canada or outside that would arrest this declining earning power of the railways? I repeat, we had nothing of any consequence. Some pious hopes were expressed that good times may return, that we may have larger crops in the West, that there may be more wheat to haul, and all that sort of thing. This does not get at the heart of the situation. There is a relentless

force at work, which, year by year, month by month, day by day, is cutting the very vitals out of the railways, not only in Canada but elsewhere as well.

If this is true, as I believe it is, of the inevitable, persistent decreasing earning capacity of the railway as a common carrier of goods and persons, it is not at all difficult to foresee and forecast the future financial conditions which are certain to continue on an increasing scale to make their appearance in the operation of our own railway system. We cannot see anything that is going to improve the condition at all, but we do see everything that is going to make it worse. The report of my good friend opposite (Hon. Mr. Dandurand), as I see it, simply means, "Stand still and do nothing."

This new economic condition that exists in the transportation field as a direct result of the invention and operation of motor-driven vehicles is not in any sense a myth or a fairy tale. It is a hard, substantial fact, the effects of which are clearly visible and readily measurable. It is not guesswork at all. You can see the trucks and can count them; you know what they carry, and you know what the railways have lost. This is all easily seen and measured, and you can calculate what the future possibilities are. Only the other day I was reading that in Great Britain at the present time there are half a million trucks operating against the railways. It does appear to me that the situation is such as to demand that with the least possible delay some course of action be taken that will have a strong and effective tendency towards giving our railways a free hand to take part in the struggle for traffic. I shall have a little more to say about that further on.

Evidence that the fight is on and has reached huge proportions exists all around us, from coast to coast. I need not dwell upon that at all. Let me give you a very simple illustration which came to my attention. The other day I asked a member of Parliament, "How many farmers in your neighbourhood take their trucks to the coal fields and get their coal?" The reply was: "All—for a distance of anywhere from one hundred to one hundred and fifty miles around. They think nothing of that. More than that, where the coal is visible on the surface they pick it out of the ground."

But the truck and the bus are not all that have to be considered. What does the future hold in store so far as the air is concerned? We know what is occurring in the north country. There is a fleet of aeroplanes carrying thousands of tons of freight into that