

condition from every mile of the Canadian Pacific Railway. We have found a company to construct the Canadian Pacific Railway upon terms and conditions agreed upon between Parliament and the executive Government on one side, and the parties who became that corporation upon the other. I apprehend that the terms of Union would be strictly adhered to if the Intercolonial Railway were transferred to a private corporation, by any agreement between the Government and the persons who might be found disposed to form such a corporation. It is the fact that the railway has been constructed, and that it has been available for the people who were intended to use it, that constitutes the essential portion of the compact; and whether that road is worked by a commission, whether it is under the direct charge of the Government, or whether it passes into the hands of a private corporation, the terms and conditions of Union will have been equally complied with. The hon. member for Albert (Mr. Weldon) has pointed out, in the case of the railways in some of the Australian colonies, that they have been more profitably worked under a commission than they had been under the direct management of the Executive; and he also states that the charges upon passengers and upon freight is less, under the commission, than it was under the Government management. I think that Mr. Galt, in his book on railways, in which he advocates the ownership of railways by the Government of the country or by the public, points out that high railway rates do not mean large revenues, and he gives instances of several railway corporations in the United Kingdom that entered into active competition with each other and greatly reduced their charges for freight and passengers; and the result of that reduction was, during its continuance, a much larger revenue than under higher charges. I have no reason to doubt, looking at the monopoly that was enjoyed by the Government in the various Australian colonies, that the same result would follow a reduction there as elsewhere. If the prices are reduced, there are no doubt many persons who will travel upon railways who would otherwise remain at home. They would visit their friends, travel for pleasure, and travel for business, which they would undertake to manage in some other way than by personal superintendence if the rates were continued high. I do not know how far the improved condition of the Australian railways is due to the reduction of excessive charges, and how far due to superior management. There are no doubt great differences between the position of railways in Canada and the position of railways in the Australian colonies. There all the roads belong to the Government; they are public works and undertakings; they may charge what rates they please; and those charges, so far as I understand, are uniformly applied in the various sections of the country, whether they are thickly populated or sparsely populated, whether the particular portion of the road is profitable or not. You only ascertain the general results, not the particular results as to particular sections of the road. Mr. Galt, in his work on the Government ownership of railways, points out as one of the advantages that a country would enjoy from public ownership that the rates may be made uniform, and that persons living in sparsely settled districts are put on an equal footing with those living in districts more thickly populated; and that, no doubt, is true. He also points out that there are

very few points where there is competition; that where there is not competition there is monopoly, and there the road may increase its charges; there are few competing points, and those points enjoy particular advantages. He also observes that as long as the private ownership of railways is permitted, when you confer upon railway corporations some of the powers of sovereignty you ought also to impose upon them some of the obligations of sovereignty; and Parliament ought to interfere and see that excessive charges are not made where there is no possibility of competition—that, in fact the rates ought to be regulated where competition will not regulate them. Now, in the case of the Intercolonial Railway the impression generally exists, and I think it is not altogether unfounded, that it has been largely run as a political institution; it has been run in the interest of a party; it has been officered by a party and managed by a party; and so the responsibility being to party, the leaders of which are under certain obligations to the officers who have earned by political service their positions and the distinctions which they occupy, it is not easy to exercise over them that supervision or that control that would be exercised by a private corporation or by a commission. Now, it seems to me that Parliament has scarcely discharged its duty in this particular instance. I think we do not so much need a commission as a committee. We ought to have had long ago a parliamentary enquiry into the management of the Intercolonial Railway. It is not paying expenses. Large deficits exist; charges are made upon the public treasury; burdens are imposed upon a population which already contribute to the maintenance of railways in their own portion of the country. These, indeed, may be private corporations, yet for the carriage of freight and for travelling they are contributors to the maintenance of these private corporations. For the same purpose, without living along the line of the Intercolonial Railway, they are contributors to that public corporation, and it is an important question to consider whether, on account of these roads being public property, you are conferring upon those who are using them advantages over those who are using private railways in their own localities. I think that is a fair subject for parliamentary enquiry. It is a fair subject to ascertain whether the burdens imposed upon these people in the way of freights and charges are less than are imposed on those who are obliged to use private railways, and whether the competition of private railways is such as to make it possible to bring the freights and charges in these districts up to an equality with those that exist elsewhere. In my opinion, that is an enquiry that ought to be made by this House. I think the actual condition of the road, the efficiency of its management, the charges that are made for freights and passengers upon it, as compared with the charges made in other sections of the country similarly situated, ought to be known to this House. After all, when we look at what has been done we see that the road, in the first place, was located in a section of the country in which we were told it was necessary to locate it, so that it would be as far as possible from the American boundary. It was located on a long and circuitous route; it was not a route that a private corporation would have chosen on commercial grounds for the promotion of trade and commerce; and we have had contributions made