

one of the interested parties. My contention is that the question should have been submitted to an international arbitration in which all the parties, and especially the province of Quebec, was represented. There is no doubt that the whole matter is still wide open, and I hope that someone will find some way of arriving at a final settlement of the question.

Mr. D. K. HAZEN (Saint John-Albert): Mr. Speaker, this debate affords me an opportunity for which I have waited some time, to bring to the attention of the house a matter which concerns the maritime provinces. I refer to the shipping of Canadian goods through Canadian ports. I believe I would be remiss in my duty as the representative in this house of the seaport of Saint John if I did not say something about that matter at this time, as certain acts of the Canadian government railways in recent months have been detrimental to the development of Canadian trade through Canadian ports and the cause of deep resentment in the maritimes.

To give the story from the beginning I want to refer to an Associated Press dispatch from Portland, Maine, dated July 23 last, which quoted Mr. R. C. Vaughan, president of the Canadian National Railways, as saying in an interview that the C.N.R. has "a big stake" in Portland, and that "we're going to do everything we can for the port of Portland."

This statement did not pass unnoticed in the maritime provinces. It was regarded there as a reversal of government policy and a betrayal of maritime workers and maritime interests.

The Canadian ports of Saint John and Halifax, which are washed by the waters of the Atlantic ocean, and are open both summer and winter, look to the officials of the Canadian government railways to use their utmost endeavours to promote the use of those ports in the national interest and in furtherance of government policy, or what has been government policy in the past.

The workers of the ports of Saint John and Halifax, who rendered great service during the war years and who are harassed now by a steadily increasing cost of living, look to the Canadian National Railways to provide them, as far as it is possible, with continuous employment. They know that everything the C.N.R. does for the port of Portland is done at their expense, and that the trade sent through Portland takes dollars from their pockets.

In an editorial on July 25 last the *Saint John Telegraph-Journal* said that Mr. Vaughan's statement—

—is a clear threat to Saint John and Halifax, for whatever is done for Portland by the nationally-owned railway system will be done at our expense.

[Mr. Dorion.]

Continuing, the editorial said Mr. Vaughan's statement was—

—an open admission that the objective of the C.N.R. was to build up ports of the United States, even though it means destroying the business of the national ports of Canada.

The press of Halifax was also quite outspoken in condemning Mr. Vaughan's alleged remarks.

On July 25 of last year Mr. J. D. McKenna, mayor of the city of Saint John, wired the Minister of Transport (Mr. Chevrier) protesting Mr. Vaughan's alleged statement. After quoting it he said:

I hesitate to believe that Mr. Vaughan was guilty of any such indiscretion—If Mr. Vaughan made the remark credited to him I think he displayed bad judgment, and I am quite sure he cannot be voicing your views or those of the government. To suggest that the money of the people of Canada be used to develop Portland, at a time when Saint John and Halifax are in dire need of additional port tonnage, is suggesting a policy which, it was generally understood, ended in Canada over twenty years ago. I know that no member of the government is more interested than you in maintaining the earnings of Canadian ports. Just how this can be done by sending this business to United States ports is beyond my comprehension, and the understanding of any real Canadian. If Mr. Vaughan made the suggestion, I think that some announcement should be made at once to assure Canadian ports that their interests will be safeguarded and at the same time disillusion the people of Portland as to any such promise.

In reply to the mayor's telegram the minister wired as follows:

I have your telegram referring to statement alleged to have been made by R. C. Vaughan, president of Canadian National Railways, which I have not seen. Please let me assure you that statements of policy always emanate from the government or one of its ministers. The policy of the government is to encourage and assist its national ports to the fullest extent, further, to use the facilities of our national ports to the maximum and to increase those facilities when required. In evidence of this the government has spent from 1936 to 1946, for capital and reconstruction of our national ports, approximately \$18,000,000. This year's estimate for the port of Saint John contains initial appropriations which will mean eventual expenditure within a year or two of approximately \$3,000,000. National harbours board informs me surveys are under way for further expansion. All of which is an indication that government has very much in mind the development and expansion of facilities at the port of Saint John.

The mayor of Saint John replied to this wire as follows:

Thanks for your telegram of the 26th instant. Interpret it to mean first that even if Mr. Vaughan made the alleged statement it carries no weight; second, that your answer is a definite contradiction that Portland will be developed and it is also an assurance that Canadian