

tration. If that road is not the great national asset it was intended to be, it will be because that road has been deliberately degraded in its standard from what the original contract between this Government and the Grand Trunk Pacific Railway Company called for. The country knows these facts. The Minister of Finance may labour as long as he pleases, but he will fail to attach to the late Administration the responsibility for anything connected with the building of the National Transcontinental railway that would go to show that the undertaking was not for the benefit of the people of this country.

This country has given aid to another railway system, namely the Canadian Northern. I notice that the newspapers of hon. gentlemen opposite, particularly the Toronto News, have laboured hard to demonstrate that responsibility for the condition of the finances of the Canadian Northern railway system lies at the door of the late Administration. I want to deny that statement and that innuendo, absolutely believing as I do that there is not an atom of foundation in fact for the assertion. When the late Government was in office we know that they rendered some assistance to the Canadian Northern railway system in the matter of providing an outlet for their system of branch lines on the prairies down to eastern Canada. That connecting link was necessary to the success of that great system, because we know that the direction of exports from the prairies is eastward, and that of imports very largely from the East. This connecting link between the East and the West was necessary to the success of that transportation system in the prairie provinces. What is it that has crippled the Canadian Northern railway finances and put that system in the position that it is in to-day? I claim, as I claimed last year in this House, that the responsibility for its situation lies in the fact that the ambition of the two promoters of the railway led them to desire to extend their line through to the Pacific coast. The building of that part of the Canadian Northern Railway system a thousand miles through the Rocky mountains to the Pacific coast is responsible to-day for the fact that the railway is in such a desperate condition financially. Will the Minister of Finance tell the House and the country in what way the late Government are responsible for the construction of that unnecessary portion of the Canadian Northern railway? That portion of the system was inaugurated under the

[Mr. Neely.]

patronage of Sir Richard McBride, head of the government in the province of British Columbia. That government came to the assistance of Mackenzie and Mann when they had been refused assistance for that portion of their system by the late Administration at Ottawa. We find that the province of British Columbia is under a bond liability of some \$45,000,000 for the construction of that thousand miles of road. They received a bond guarantee of \$45,000,000 from the British Columbia Government. There was a first bond guarantee of \$35,000 a mile, and then an added \$10,000 a mile. But that was not sufficient, and it must have been a relief to the government of British Columbia when their political friends came into power at Ottawa, for it was during the very first session after this Government took office that we found the Canadian Northern railway coming to this Government and asking it to supplement the support given them by the government of the province of British Columbia. How did they do that, Sir?—by giving them a subsidy of \$12,000 a mile, or a total of \$12,000,000. Was that enough? I ask you to look at the blue-book presented to this House last session containing a statement of the railway company as to their requirements in regard to their request for an additional \$45,000,000. It was found that, roughly speaking, \$23,000,000 of the \$45,000,000 bond guarantee was applied to the completion of the Canadian Northern system in British Columbia. That, and that alone, in my judgment is responsible for the burden that falls upon this Government who, by their own legislation, have become partners in this financially-crippled institution, the Canadian Northern railway. We are not at all sure that the troubles of this Government are ended so far as this system is concerned. We find to-day that, notwithstanding the provisions made by this Government for the completion of the Canadian Northern railway through British Columbia, the government that province have found it necessary to make an appeal to the people on the question of greater aid to railways, including the Canadian Northern Railway system. I have only this to say for the head of the government of the province of British Columbia, that as the Minister of Finance said the other day about the late Administration, his chickens are coming home to roost. We find that, so keen is the situation in British Columbia over the prodigality of the government in that