examine the matter myself-that the deficit on our canals last year amounts to something like \$300,-I am not here to find any fault with the expenditure on our canals. I assume that the administration of that department has been economical and that the people of Canada have derived great benefit from the canals. We know that we have had our merchandize transported at low rates through our canals; but we must remember that we have had a deficit on our canals as well as on our Intercolonial Railway. The hon. gentleman contemplates the reduction of 5 per cent of the number of the employes on that road. I am not a railway man, and I have no knowledge of railway matters, but in all that pertains to the Intercolonial Railway, as it is the iron bond of union between the provinces, I have always taken an interest. would, perhaps, be unbecoming in me, as I am not an expert in railway matters, to express any positive view, but I have held the opinion, it is my belief, that the mechanical department of the Intercolonial Railway is not efficiently administered. As regards the road itself, there is not a better road on the continent of America, and I must say that there is no extravagance in the salaries which are paid the clerical staff. I do not think there is a railway in America that pays as small salaries to its employés, or that has any more loyal servants. As far as my knowledge goes, the traffic department and the freight department of the Intercolonial Railway are economically administered. If I am not misinformed, if there is any extravagance it has been largely in the mechanical department, and it would seem to me that instead of abruptly dismissing a number of mechanics, some of whom have been, perhaps, a long time employed on the railway, it would be better for the Minister to wait until he has had an opportunity of personally examining the matter himself and satisfying himself that those in charge of the mechanical department are administering it efficiently. As regards the reduction in the train service, I understood the Minister to say that he would take care that the efficiency of the road was preserved. I hope he will be able to accomplish the difficult task of retaining the efficiency of the road and reducing the train service. I have referred in previous Parliaments to the amount which still stands in the Estimates for improving the facilities at Halifax. The hon. Minister must allow me to point out to him that I think he is mistaken when he says that three propositions in connection with this matter have been suggested by any person resident in Halifax. I have only heard of two, the first being that which is known as the Cornwallis street extension: and the second was the suggestion of carrying the railway track along the water frontage. This question of the inadequacy of the railway facilities at Halifax has been before Parliament since 1887, five years, and it is quite time that the department was in possession of sufficient evidence which would warrant it in coming to some conclusion on this matter. I had several interviews with the late lamented Mr. Pope, when he was Minister of Railways in 1887, on this subject. recognized then the necessity for more space and greater storage accommodation being provided at Halifax; this necessity was recognized at that date by his officers, and it has been recorded in the report of this year. The Hon. Mr. Pope knowing

to the best manner in which this accommodation could be provided. Both these proposals came from Halifax and both having merits of their own, Mr. Pope decided that he would ask Parliament for a vote of \$150,000, but he would not undertake any expenditure until he had had an opportunity of investigating the matter. This subject has been referred to in this House every year since and has been revoted each year. In 1890, when the late Sir John Macdonald was administering the Department of Railways, he made a very positive statement that either of the plans, either the extension of the tracks along the wharves, or the acquisition of the Cornwallis street property would be adopted; and last year-I was not in the House when the matter was debated, -the Acting Minister of Railways, the present Minister of Militia, stated very emphatically that he intended this vote for the acquisition of the property between North street and Cornwallis street.

Mr. DAVIES (P.E.I.) When was the statement made?

Mr. KENNY. On referring to the Hansard, the hon, gentleman will find that it was made last year.

Mr. DAVIES (P.E.I.) No. The Acting Minister said he had not made up his mind one way or the other.

Mr. KENNY. I have not the Hansard by me. Mr. DAVIES (P.E.I.) I refreshed my memory with the report.

Mr. KENNY. I think the hon, gentleman will find he is in error. If he will look at the explanation given by the Acting Minister when the vote was passed, he will find that my statement is correct; and not only so, but that the Acting Minister actually stated to the House that the expenditure would amount to \$620,000.

Mr. DAVIES (P.E.I.) If carried out.

Mr. KENNY. I think he said that he wanted the money for the Cornwallis street extension, and if the Minister so stated, I presume he meant to carry it out. I find the Acting Minister said:

"It is proposed to procure a block of land, bounded on the north by North street, and on the east by Water street, on the south by Cornwallis street and on the west by Lockman street. This block of land is about 2,500 by 330 feet. I may state that the assessed value of this property is about \$450,000, much higher that the sum we are taking at present. The tracks and buildings are estimated to cost about \$175,000, making a total cost, with the land, if it is all purchased, of about \$625,000. Of the sum now being voted, about \$2,000 is intended to provide additional machinery in the shops at Halifax. The accommodation in the city is too small for the business done there, and it is deemed not only advisable, but absolutely necessary to procure more land."

The hon, member for Queen's (Mr. Davies) is correct that later on in the debate the Acting Minister of Railways referred to the fact that there were two schemes or suggestions which had been placed before his notice.

Mr. DAVIES (P.E.I.) Will the hon. gentleman allow me to mention, in order to justify my interference, that the Acting Minister of Railways further went on to say:

"The Government is in no way pledged to either the one scheme or the other."

This shows that no arrangement was arrived at.

report of this year. The Hon. Mr. Pope knowing Mr. KENNY. At the same time I was warthere were two rival proposals before him as ranted in stating that the Acting Minister said that