

I shall refrain and shall simply deal with the actual figures, necessarily discussing the question of the Intercolonial from a historical standpoint, with some reference to the future prospects of that great public work. The Intercolonial Railway commands a very large space in the public attention of this country, and it is with this railway that I will be expected to deal specifically this afternoon.

Referring to the fiscal year ending June 30, 1905, the statement of results is as follows:

Total revenue—	
1904.. . . . .	\$6,339,221 07
1905.. . . . .	6,783,522 83
Divided as follows:	
From passengers—	
1904.. . . . .	\$2,021,568 04
1905.. . . . .	2,105,066 75
From mails—	
1904.. . . . .	\$ 153,285 28
1905.. . . . .	161,620 36
From express—	
1904.. . . . .	\$ 107,268 13
1905.. . . . .	128,298 42
From other sources—	
1904.. . . . .	\$ 15,987 14
1905.. . . . .	15,358 75
From freight—	
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1904.. . . . .	\$4,041,112 48
1905.. . . . .	4,373,178 55

Thus showing that the receipts for 1905 from passenger and freight traffic, exceeded the receipts for 1904 by about \$400,000.

Turning to the other side of the account the cost of operation was as follows:

Cost of operation—	
1904.. . . . .	\$7,239,982 04
1905.. . . . .	8,508,826 75
Divided as follows:	
For maintenance of way and structures—	
1904.. . . . .	\$1,486,074 60
1905.. . . . .	1,716,262 57
Maintenance of equipment—	
1904.. . . . .	\$1,534,178 39
1905.. . . . .	1,834,572 94

As will be seen there was a very material increase in cost of maintenance of equipment on the Intercolonial.

Conducting transportation—	
1904.. . . . .	\$3,904,053 11
1905.. . . . .	4,602,492 36
General expenses—	
1904.. . . . .	\$ 200,920 24
1905.. . . . .	216,537 66
Parlour, sleeping and dining car expenses—	
1904.. . . . .	\$ 114,755 70
1905.. . . . .	138,961 22

It will be observed that there has been an increase in almost every item of expense under each of these branches, a marked increase in some instances.

I might say with respect to the cost of conducting transportation that there has been an increase of \$700,000. The figures which I have thus cited to the House de-

monstrate the fact, the lamentable fact, that there was a difference between revenue and cost of operation during the fiscal year 1905 of \$1,725,303.92. In the preceding year there was a deficit of \$900,750.

The difference between the deficit of 1905 and that of 1904 is accounted for by the following items of excess in the cost of operation.

Maintenance of way department excess, \$257,105.37.

Made up as follows:

Increase of wages under labour	
account.. . . . .	\$ 79,716 33
Railway ties.. . . . .	30,979 48
Docks and wharfs.. . . . .	27,403 23
Handling snow (labour entirely).. . . . .	132,200 00

There were slight reductions made in the cost of bridges, culverts and fences to the amount of \$2,193.67.

In the maintenance of equipment there was an increase over 1904 of \$296,434.73, made up as follows:

Maintenance of equipment department, excess, \$296,434.73.

Made up as follows:

Locomotive repairs.. . . . .	\$ 84,016 36
Passenger car repairs.. . . . .	32,818 79
Freight car repairs.. . . . .	135,617 90
Abnormal expenditure due the snow blockades.. . . . .	33,981 66

That is simply an abnormal expense incidental to the maintenance of equipment during the winter season of 1905. The cost of transportation in 1905 exceeded that in 1904 by the very large sum of \$587,884 made up of the following items.

Engine and roundhouse men—	
wages.. . . . .	\$116,067 74
Fuel for locomotives.. . . . .	252,991 05
Oil and tallow.. . . . .	11,000 00
Other supplies.. . . . .	601 00
Train service—wages.. . . . .	112,172 37
Switchmen, flagmen and watchmen—wages.. . . . .	9,097 84
Station service—wages.. . . . .	49,348 51
Car mileage tendance.. . . . .	16,605 52
Injuries to persons.. . . . .	10,000 00

I could very readily explain in my own language the causes which contributed to this very large excess of expenditure in these several departments during the year 1905 over the same class of expenditures made in 1904; but I think that I cannot do better than read an extract from the very careful report made by Mr. M. J. Butler, chief engineer and general manager of government railways in regard to the special circumstances affecting the operation of the Intercolonial during the last fiscal year. Mr. Butler says:

The unprecedented severity of the winter entailed heavy direct expense in the removal of snow and ice, besides, as is pointed out by the general manager, largely increasing the operating expenses otherwise, and, at the same time,