

does it not pay? The hon. gentleman tries to explain the reason. The road, he says, was built for military purposes. It was built in a round-about way for the purpose of running between Quebec and Halifax. Then he says it was built for the purpose of defence. Then it has to compete with waterways, and in order to encourage the business of the west in flour to the eastern provinces and in order to encourage the coal miners of the east, the rates on flour and coal are ridiculously low. One of the reasons given by him for the extraordinary low rate charged on coal is that it was for the benefit of the people of the west. But if he will look through his annual report he will find that only 6,000 tons passed last year over the Intercolonial Railway altogether to the west. In 1886, the amount was 286,000 tons, but that has almost entirely disappeared, and with it has disappeared this reason which the hon. gentleman has given us. Another reason he gave us was that he only charged 60 per cent of the passenger rates charged by the Canadian Pacific Railway and Grand Trunk Railway. Why does he not charge enough? Why does he not charge the ordinary rates when he finds himself confronted with this deficit of nearly \$6,000,000. But instead of doing this, he tells us that as the canals were built by the people's money and have never paid any interest on their cost, we should not expect any better result on the Intercolonial Railway. There is an amount due the government by the Grand Trunk Railway of \$35,000,000 and we are expending a large sum for the purpose of building a bridge to connect the old city of Quebec with the south shore. We are also spending large sums deepening the harbour at Quebec and the channel at Montreal—and all this expenditure should be a justification for the enormous deficits on the Intercolonial Railway, and the extravagant management of that road. Is it possible to imagine any practical business man advancing such an argument? But he also goes on to drag in the expenditure on the Canadian Pacific Railway. Because we gave a large amount of land to the Canadian Pacific Railway and other railways in the Territories, amounting at \$1 per acre to \$50,000,000, and because the Canadian Pacific Railway and the other railways are selling this land at from \$2 to \$5 per acre, that is another justification for squandering the public money on the Intercolonial Railway. He was a little nervous when I asked him a question—he tried to avoid it and said he would give an explanation later—as to the amount which the people of old Canada spent for the purpose of having the Grand Trunk Railway, and which amounts to \$35,000,000. That is a debt we have against the Grand Trunk Railway, but by legislation we gave it rank it after all other securities

Mr. HAGGART.

which the Grand Trunk Railway has given. However we settled all these things at confederation. We of the upper provinces stated our public debts, and the provinces down by the sea stated theirs; and it was upon a comparison of the debts of the provinces that terms were fixed upon establishing the union. This included the case of the canals to which the hon. gentleman (Mr. Emmerson) has referred. A great portion of the canals had already been built. But, even supposing that \$83,000,000 has been spent on the canals as the hon. gentleman said and supposing that we receive no return upon this besides expending money for the working of the canals, what basis of comparison does that afford with the \$1,800,000 lost on the Intercolonial, plus \$4,000,000 expended upon capital account in one year? There is no comparison whatever. But, every time the hon. gentleman has discussed this question in the House he refers to this point, and charges the members of the opposition, especially those from the older provinces of Canada, with criticising in a way they have no right to do the enormous sums which are spent in the operation of the Intercolonial. He speaks of the expenditure on the canals. But I notice that, in all his comparisons, he has not said a word about the money expended in St. John and Halifax harbours, or the sums that go to provide wharfs and breakwaters around the shores of the maritime provinces. Sir, it is little short of childish for the hon. minister to attempt thus to justify in this parliament the public scandal of the management of the Intercolonial under his direction. A public scandal such as this is not to be met by such silly comparisons and such silly reasons as the hon. gentleman has given.

Why cannot the Intercolonial be managed in the same way that railways in every other part and portion of the Dominion are managed? There have been prosperous times in this country for the last ten years. Every other railway but the Intercolonial has prospered and flourished. The receipts of the Intercolonial itself show that in Nova Scotia and New Brunswick the people are flourishing, because those receipts have been increased from something like \$3,000,000 almost to \$7,000,000. Why is it that, when every other railway is prosperous and flourishing, this particular railway shows a yearly deficit? As I have said before, the people pay fair freight rates on the Intercolonial. As to the passenger rates, assuming, as I am bound to assume, that the hon. gentleman is right, and that the passenger rates are about 78 per cent of those on the Canadian Pacific Railway and about 60 per cent of those on other roads, why should not increase be made in the Intercolonial rates? Why should not the people be plainly told that, if they intend to retain this as their most valuable asset for commercial purposes for the section of country it serves, if they intend to keep it from being hand-