

hon. friends opposite. Although I believe a very honest and determined effort was made to turn over a new leaf, after all the influence of members through whose constituencies the road ran, was brought to bear, and they demanded that something should be done; some friends must get work; some sewers must be dug to give them employment, and by that method the road has developed into what it is to-day, sixty millions sunk, and it has run half a million behind in earning its expenses. I point that out to show that it is utterly hopeless for a government to undertake the operation of a railway. With regard to the contract that has been made for the construction of the Grand Trunk Pacific, I am glad to know that while a large portion of that road, from Moncton to Winnipeg, has to be built and owned by the country, before there is a rail laid down on it it is leased to a party that has to operate it and pay as a rental 3 per cent on the money invested. It is far better to operate it as an independent line, in the face of the expenses that we have paid in the past for operation by the government. I hope the government will make an effort to get rid of the Intercolonial Railway. I remember on one occasion travelling with the general manager of the Canadian Pacific Railway, Mr. Van Horne, in his private car. He stated to me some years ago, before they built the St. John branch, that if the government of Canada would give the Canadian Pacific Railway control of the Intercolonial Railway, he would not hesitate to say that they would pay \$1,000,000 a year and operate it in the interests of the country and give just as good a service as the country was getting under the operation by the government. How much better that would be?

Hon. Sir MACKENZIE BOWELL—And without raising the rates.

Hon. Mr. McMULLEN—Yes, and give just as good a service. I hope the Intercolonial Railway will not be further extended. There has been some talk of the government extending the Intercolonial Railway by buying out the Canada Atlantic. I hope the government will not entertain such a proposition. I should like to see them dispose of the Intercolonial Railway and that just as soon as possible, if

Hon. Mr. McMULLEN.

there has to be a sacrifice made. The United States had a little experience in building roads. They built the Central Pacific or Southern Pacific, and I know that the country lost over thirty millions. They never made it pay. The United States government will never put another dollar in a railway, and I believe the United States to be the shrewdest nation on the face of the earth. They *do* not own a road now, or attempt to own any road. So far as this Bill is concerned, I express my regret that the government have bought the road. I suppose that they were coaxed or goaded into it to make some arrangement with the creditors, and it was taken over. I am afraid that is the initiation of a scheme that will force them to make other purchases. We will find people hammering at the doors of parliament, urging that roads which have been subsidized years ago should be taken over and made part of the Intercolonial Railway. Eventually we may own the whole railway system of the maritime provinces, and we will have a load on our hands which will take from the public treasury a large sum, and parliament will have to provide for a large deficit on them year after year. I am afraid that will be the result if this is to be continued. I do not know why the government decided to buy this road. Possibly there may have been some reason. I have heard no reason except what the Secretary of State says to-day, but I fear it will result in more purchases of that kind, and we will keep adding to our government railways. When the present government go out of power, if they ever do, the other party will come in and if they are urged to take over branch lines, what will be the argument? They will say 'When the Reformers were in power, they bought the Canada Eastern Railway in New Brunswick, a road 136 miles long. That is a precedent. Now we want you to buy these other roads.' The result will be that, whatever party is in power, the people will keep urging them to buy unprofitable lines, and add them to the Intercolonial Railway. I have had such an experience in criticising for many years the management of the Intercolonial Railway, in the House of Commons, that I finally gave it up. I made up my mind it was of very little use. Year after year we had exposures of jobbery. I remember in one