

connection with the Intercolonial and the Prince Edward Island Railway. Now, Sir, I do not hear any complaint with respect to this. Down by the sea there are no murmurings, although these canals and the traffic which goes over them in no way find an outlet in the ports of the maritime provinces. There is no complaint anywhere in Canada with respect to that expenditure, but there is a complaint and a very loud complaint with respect to the expenditures on the Intercolonial Railway. The annual deficit of the Intercolonial excites a discussion, and a long discussion, at every session of this parliament. Even when the amount is only \$100,000 or \$150,000 it is spoken of in extravagant terms and when the amount reaches to \$1,725,000 the din is such that it would almost destroy your hearing. And yet there is in the annual cost of operation an annual deficit on the canals of \$1,174,000.

Do we hear anything about it? In what other direction have we appropriated moneys? To miscellaneous railways the subsidies paid by the government amount to \$32,617,560; to the Canadian Pacific alone there was paid \$62,785,319; to the Grand Trunk there was paid—and it stands as an asset unpaid, as a part of the book-keeping of Canada—\$25,607,393; a total of \$121,010,272. These figures do not include the land subsidies which are admittedly of enormous value. In all 56,000,000 acres were voted to aid railway construction. You can compute the amount invested in railways by way of land subsidies by multiplying 56,000,000 by any sum that you choose. If you value the land at a dollar an acre, it means \$56,000,000; if at two dollars an acre it means double that sum; if at three dollars an acre it means treble that sum; and so on. Lands which to-day are being sold, as I understand, at from \$7 to \$10 an acre were contributed by the government of Canada towards the construction of these railways. Add these sums together and consider the enormous amount which Canada has invested in railways, or for the purpose of promoting and stimulating trade and transportation. The Dominion government has also guaranteed the bonds of the Quebec Bridge and Railway Company—for the principal of \$6,678,200, and for interest thereon at the rate of three per cent per annum for fifty years. That is surely in the interest of trade and in the interest of transportation. It is a necessity, and I hear no complaint in regard to it. It is true that oftentimes exception is taken to the acts which authorize these expenditures or these guarantees, but that is more in a political sense than from a business standpoint. From a business standpoint it is recognized by the people of Canada, with our sparse population and our large and extended area, it is necessary that assistance should be given to the construction of

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railways, the promotion of transportation companies and the advancement of the general trade interests of the country. Without that assistance there is not private capital to make the investment, and therefore it is a public necessity in our endeavour to make of Canada what we hope her to be. The bonds of the Canadian Northern Railway are guaranteed on a principal of £1,923,287 sterling, and interest thereon at the rate of three per cent per annum for fifty years. The guarantee to the Grand Trunk Pacific Railway Company is for a sum equal to seventy-five per cent of the cost of the construction of the western division of the National Transcontinental Railway, but not exceeding \$13,000 per mile in respect of the prairie section of that railway. To steamships for a considerable period of years subsidies have been paid by the Dominion government. The amount paid last year to steamers plying between Canadian ports and foreign ports was \$795,000, and to steamers plying between Canadian ports, \$113,000. The total of both classes of subsidies already paid is \$10,539,102. Who will say that that was an unwise expenditure, or who will dare to criticise it? We hear no murmuring in respect to that; but it is to be added to the grand total which includes the Intercolonial, the Canadian Pacific, the Grand Trunk, the Grand Trunk Pacific, the Canadian Northern, and all the other railways big and little which have been aided by votes of the parliament of Canada. We have another object of our solicitude in the way of the promotion of trade and transportation in the aid granted to harbours and navigation. In the Montreal harbour alone we have expended \$5,186,834, in the Quebec harbour \$3,835,697, and in the St. Lawrence channel \$3,641,364, a total of \$12,663,895. If all these sums which have been expended in aid of the trade and transportation of the Dominion are added together, they will be found to aggregate a very large sum.

Now, it is a very pertinent question, as to why the Intercolonial does not pay. We are confronted year by year with these deficits, enormous in some instances—surely there must be a cause for them. Some of the newspapers of the country have given reasons and have suggested remedies. Some of them have said that political influence is the cause; others have said that it is the absence of expert management. They travel in many directions to find out reasons why the Intercolonial does not pay. I think I can mention three causes which give the explanation in a nut-shell. The first is the long route. I am not going to weary this House by repeating the discussion which occurred at the time of the location of the road. I am not going to give the reasons which were advanced why the long route along the shores of the St. Lawrence was selected. Enough for me to