England to a French port. Now, if we provide a \$50,000 subsidy for a direct line between Canada and France, I think that the fast line should be relieved of the obligation of running vessels from an English port to France, and consequently that the subsidy should be reduced from \$750,000 to \$700,000. I hope that the government in drafting the contract will bear this fact in mind.

Hon. Mr. DRUMMOND—I always considered the condition attached to this subsidy, that a vessel after touching a British port should go to a French port, was a totally unworkable one. I thoroughly approve of having a fast line, although I consider that the condition which demands that the vessels shall have a speed of 20 knots an hour at sea is asking a little too much for the money. I have always thought that a vessel making eighteen knots an hour at sea in fair weather was a reasonably fast ship. At that speed, a vessel leaving a British port at the same time as a fast steamer of the American line, will reach Quebec as soon as the other would reach New York. If for a subsidy of \$750,000. a year, we can get faster vessels, so much the better, but for my own part I shall be quite satisfied if, for that subsidy, we can get vessels which will make eighteen knots an hour at sea, and I should be prepared to say that we were pretty well off. I think it would have the effect of diverting to our own ports a large amount of traffic which now goes by way of New York. The passenger ships to Montreal at present are of inferior power and some of them obsolete, and, as a result, a very large proportion of our passenger traffic goes via New York. If we had equally good facilities, our people would prefer to use our own line. because they would effect a very considerable saving in the expense of travel. anybody to travel via New York, without spending a considerable amount of money in the portion of the journey between Montreal and the steamship in New York harbour, and that would be avoided by having a fast line of our own. I therefore thoroughly approve of the bill.

Hon. Mr. WOOD—I should like to say a few words in reply to the remarks which fell from the hon. member from Albert.

freight line of steamers between Great Britain and Canada. Every one knows that we have already plenty of steamers of the class required for such a service, and that the rates for transportation are already very lowthat even if the importations were increased, as he thinks they would be under a reduced tariff, by 50 per cent, there would be no difficulty in finding plenty of steamers to carry the goods without any subsidy and at very low rates. In connection with this view of the case, the whole object of giving this large subsidy appears to me to be the estab. lishing of a line which can successfully compete with the great lines of passengers steamers running between New York and England, and, if possible, to divert a considerable portion of that large, and in my opinion profitable, traffic from New York to our Canadian seaports. In order to do that, it is essential that we should have a line of steamers quite as fast and quite as good and well equipped in every respect as the steamers which run between Great Britain and New York, and in that respect I differ from the hon. member from Kennebec division. I should not be satisfied myself to undertake to enter into that competition with an eighteen knot steamer. If we have any advantage at all it is in the fact that our geographical position will enable us to shorten the time required for the journey between Great Britan and America. If we only had steamers with the same speed as the vessels which run to New York, we could shorten the time required for the voyage and on that one point I consider the whole success of this scheme turns. In common with all the hon, gentlemen who have spoken, with the exception perhaps of the hon. member for Albert, I heartily support this proposal for what appears to be a very large subsidy, but, considering the importance of the project, one that is fully justified. There is just one point in connection with this proposal on which I should like to have a definite statement from the government. The steamships which have been subsidized in the past for carrying the mails have frequently had to go to United States ports in the winter time for the purpose of landing and receiving cargo. The result of the experiment tried last winter has shown that we have facilities in St. John and Halifax for furnishing all the cargo that steamers require, and I trust that if a new based his remarks altogether on the theory contract is entered into and this large subthat this country is about to establish a sidy is given, a condition will be made in