POOR DOCUMENT

THE SEMI-WEEKLY TELEGRAPH, ST. JOHN N. B., APRIL 30, 1903.

MR. BLAIR MAKES THE SPEECH OF Strait of Canso Expenditure. HIS LIFE IN DOMINION PARLIAMENT

Reviews His Management of Intercolonial Railway Since He Assumed Charge-Western and Ontario Opponents Won to His Support by Eloquence and Facts-"Back to the Wall" Once More.

ister of railways, in presenting to parlia-

tion from his own side of the house while the opposition saw all their groundless at-tacks on the government road vanish in-

to thin air. Mr. Blair has made many good speeches in his Time, but never one that surpassed today's deliverance. He threw his whole energy into the subject with which he is so thoroughly conversant and every interruption from uneasy members on the composite side made to thin air.

erergy into the subject and ready debaters of the front benches on the opposite side make into to consider the question whether in the organization of the ablest and ready debaters of the Canadian parliament. He was checked around and congratulated him upon an effort which was well described as one which will go down into history alongside the greatest parliamentary depliterances of the age. As for the matter in the speech, it bristled with information and brought out in full view there along in which the I. C. R. has dong. I affirm with all confidence that it had not any more cars, if the das serveryody in which the I. C. R. has dong. I affirm with all confidence that it had not any more cars, if the das serveryody in which the I. C. R. has dong. I affirm with all confidence that it had not any more required to do the busit as for the ministery with which the I. C. R. has dong. I affirm with all confidence that it had not any more required to do the busit is traffic, giving receipts of about less than \$3,000,000. If you are spong to the age. As for the ministery yet meets from disappointed members of the opportion, in which the road has been at the helm. Among the appropriate account, in the specend him on the floor is traffic, giving receipts of about less is there in the complaint that we and look forward to gome increases is the the mone increases is the end in cons, justice or common sense is the helm. Among the appropriorate and brought but in formatisteries of the opportion, in which the road has the end there in the complaint that we at an olocomotives that we and no locomotives that were early the specend time on the floor. been administered since Mr. Blair has been at the helm. Among the appropriate expressions which were said to the min-ister of railways by the crowd of admir-ers who gathered around him on the floor of parliament to extend congratulations, there was none more fitting than when one of the Ontario leaders said as he warmly grasped his hand: "You have your back once more against the wall." And this once more brought back the momonies of the last general election cam-

Ottawa, April 24—(Special)—The min-ister of railways, in presenting to parlia-ment today a statement of the record of the Intercolonial since he took charge, was accorded a most enthusastic recep-tion from his own side of the house while the correction group difference and the state of t moment, our earnings are nearly half a mathematic from a report made in the finan-million dollars more than they were for a like period during the last year. So, a like more than they were for a like nearly half a mathematic from a report made in the finan-cial year 1897-'98. Mr. Ingram—And I understand the

phenomenal results—an increase within the year 1898 he purchased a large number of 20 ton cars.

Mr. Blair—No, no. Mr. Ingram—I understood the honorable

at all we had to have, as rapidly as we could get them, increased length of sidings from one end to the other of the road. not be fallacious or absurd for me to com down to parliament and ask for an appro-priation of two or three or four milions out of earnings for the purpose of improving the road? "If I did so who would be the first per-"As to the expenditure at the Strait of

would they say? They would charge me with being guilty of a shallow pretence, they would charge me with perpetrating a fraud on the parliament of Canada in asking for two or three or four millions out of the earnings of the road when it never had more than \$100,000 of net surplus in any year in its whole history. (Cheers.)

Mr. Blair went on to point out the sleepy way in which the Conservatives kept the road running, without any meth-ods of practical economy or any attempt to mode improvements wear in and year them to do their business that we should turn a deaf ear to their appeals because some one on the other side of the house is going to cry out 'what an enormous is going to cry out what an end mous expense' and because some one on the opposite side claiming to represent his party may say: "This is a sink hole for the money of the country.' Sir, I do not think we would be worthy of the posiat modern improvements, year in and year out. It was run on the same old way, bu the country woke up to the occasion When he said the country he mean Ontario as well as the maritime provinces tions we occupy as responsible ministers The country as a whole was deeply in terested in the success of the Intercolonia "My honorable friend (Haggart) sai Mr. Blair, and his associates and co

nons we occupy as responsible ministers of the crown if we had yielded too timid-ly to any such outcry as that and re-fused to give the people of Canada the accommodation which they demanded on the I. C. R. (Cheers). leagues who have been attending the public accounts committee and spendic public accounts committee and spending no doubt sleepless nights in trying to figure out how many dollars were spent and how many tons of rails were laid out by the late government out of earn-ings, claim all the benefit they can of the comparison. They will find that no one year during which my honorable friend had administered the I. C. R. was there more than from 3,000 to 5,000 tons of rails laid down, whereas we have laid down 25,000 to 30,000 tons per year and ought to lay down 50,000 tons in order to My business as the minister of railways is to present to my colleagues reasonable demands to meet the needs of the railway. demands to meet the needs of the farmage As a matter of fact I have never approach-ed this question in any spirit of extrava-gance but, on the contrary, I have always been behind the requirements of the road. And when I presented these claims ought to lay down 50,000 tons in order t get along, while the present generation of perhaps the children of the present gen-eration are living, if we are ever to get the road properly equipped. (Cheers.) I do not think there was any year in which my honorable friend put down as much as 5,000 tons of rails. In some years he put 1,800 and in some 3,000 and in some 3,500 and there is no sense in making a comparison between an expenditure involving the laying down of 3,000 or 5,000

tons per year out of earnings and that involving the laying down of 25,000 to 30,000 tons per year. Are the conditions alike? Can you put

in the service until he was grown up, went off to the United States and rose degree by degree until he got into a high position on railroads in that country. We were only too glad and from all the rep-resentations that were made to us with regard to him from the statements that the one expenditure beside the other and draw any just or fair inference or make regard to him, from the statements that we read from the men in whose employ he had been, to ask him to return to his any just of fair comparison as between the two in favor of my honorable friend's proposition. I do not think you can. (Hear,

But steel rails are not the only items. Take all the items right through. Take new locomotives. We had to bestir ourselves to be alive and try to accomplish omething in our day. We have had to

and adjustment. Mr. Blair—Is it necessary for the honbuy 25 to 30 locomotives a year. We have not got them all yet, but are hoping to ret them so that we shall have them avail-to put a sting into it as he did when he

try if he cannot buy them in his own.

heir construction was wrong?

ubject that is not at all material to this

discussion. How can that posibly affect the question whether the locomotives were properly bought in the United States or

Mr. [Ingram-I want to point out that

Mr. Russell whom he imported from the United States, did not know what he was

writing about and I can prove it, too. Mr. Blair-When the honorable gentle-man asserts that I imported Mr. Russell from the United States he asserts that for which he has no warrant. Mr. Russell is

in 1901 only the same amount which we he is foreshadowing his future action when he says that there is justification for a min.ster to get locomotives in another coun-transfer to get locomotives in another counup to the same standard-instead of \$458,000, our deficit would have been only \$188,000. There was \$28,000 more paid

Mr. Haggart-Hear, hear. Mr. Blair-Then I stand on that. But for coal than in the year previous be sides increased wages to all our em-ployes which had the effect of increasing what became of the statement of the nonorable gentleman alongside of him? Of our expenditure. Whether the oppositi what value are his strictures, what justiwere satisfied or not, the government would take the responsibility of increasing the wages of the employes. (Hear, hear.) ation for the contemptuous reference he nade to my administration. Within a recent period when the honorable gentleman "On the government railway, he said, we can afford to pay wages at least ap-proximating the wages that men are get-(Haggart) has informed that two years before he went out of office he went to the United States and bought locomotives out-side by this government? And has there not been abundant evidence of that. They ting on other railways under abo same condition and I may be asked to meet the views of the laboring men in the different departments to a greater ex-tent than I have yet been able to yield left those orders unexecuted with the works closed and we were obliged to go works closed and we were obliged to go to the United States or suspend altogether the increase of the equipment of the road, so I. have brought myself within the ex-ception announced by my predecessor in his place in this house. That being the case, let us ask these honorable gentleto them, but the extent to which I have gone, moved by a sense of justice, imposed upon us last year \$120,-1000 expenditure in excess of the previous year—this is the increase in wages. I am not speaking of the increase not speaking of the increase of wages due to the employment of a large number of men during that period, but even with the increases that have been made, the men for ever after this to hold their Mr. Ingram-Does the honorable minismen are not getting unreasonable wages. I do not think the government could do ter approve of that circular stating that the Kingston engines were not good en-gines-that they were faulty and that better than to treat their employes fairly and justly both as to wages and to everything else. (Cheers.) Mr. Blair-Does my honorable friend want to know my private opinion as to a

"While I am dealing with this matter I may mention a point which will tend to show the spirit with which we seel to meet the needs and the wishes of embo neet the needs and the wishes of em-ployes of the railway. I have already in effect, organized, as respects a large por-tion of the staff, a system of schedule employment under which youths come into employment under which youths come into the service and rise in grade as their merits justify and as the years go by, with each rise receiving an increase in their pay. That schedule had been thought out very carefully and I am happy today to service that it is civing your computation to say that it is giving very gen al satis faction among the employes of the road to which it applies and has created very good feeling. And I think it is most de-sirable if it can reasonably be accomplish-ed that the good feeling can be maintaina Canadian, born down in the county of Charlotte in the province of New Bruns-wick, and has many relatives and friends there. Mr. Russell commenced to learn railroading on the I. C. R. and remained in the service write the service and the component education almong the employes.

I. C. R. EMPLOYES.

Mr. Blair Pays Them a Tribute of Praise, Midst Cheers of the House.

"And I think I can say of the employed he had been, to ask him to return to his own country and give us the benefit of the experience and ability he had ac-quired. Why does my honorable friend interpolate the remark about importing him from the United States? Mr. Ingram—Because he did not know the difference between construction and I think I can say of the employes of the road that those who travel our trains are unanimous in their expression of the satisfaction at the kindness, the at-tention, the courtesy which our train hands treat them. I wish to pay a tribute to our men as a body. (Cheers). I know to our men as a body. (Cheers). I know of no exception, commendation reaches me on all hands from people who are accustomed to travel on our road, they our that the attention they making and the

I must say that they have always been received in a spirit of fairness and consideration by my colleagues. They were not perhaps met to the extent which I would have desired but still they were met to an extent which I could see was as far as the government could reasonably go at the time and under the circum-"Sir, I am prepared to justify, to justi-fy in the face of the world what we have done in order to make the I. C. R. a railroad which is creditable to Canada

and which, if we have not brought it up to an absolute state of perfection at the present time, we hope to attain it in the future Opposition Appreciates Improvements.

"I would like to get a candid avowa from the gentlemen on the other side from the gentlemen on the other side of the house who have gone over that road as to what they think of the improve-ments we have made and the increased facilities which we have affected. They certainly have told me individually that they much appreciate the improvements which have taken place. (Cheers.) "They have commended in no carping spirit the splendid and convenient service which we have given to the people gi the

which we have given to the people of the country. Let it be remembered that the I. C. R. is not for the people of the mari

Canso nobody seems to have taken any objection to that. The little freight sheds hat we had along the line, with their imited accommodations, the little stason to condemn such a proposition-my honorable friends opposite, and what would they say? They would charge my ons and the little offices which did not uffice, these had to be increased and mulsuffice, these had to be increased and mul-tiplied and during the last five years we have had to spend \$1,000,000 in that work. Shall it be said that when people along the whole length of the I. C. R. are cry-ing out for reasonable facilities to enable them to do their business that we should

memories of the last general election cam-paign in New Brunswick. His speech has eded in bringing to its side whatver opposition there may have been in the past in this and the western provinces

the past in this and the the second past in this and the to the government road. Ottawa, April 24-(Special)-In supply Mr. Blair said that, with the consent of the committee he would make a general statement respecting the administration of the I. C. R. He said it would be very of the I. C. R. He said it would be very much more advantageous than to have a general discussion as each estimate came up. In that way it would better dispose of the matter as a whole than on the individual items. He called the atten-tion of the committee to the subject of capital expenditure. The capital expend-iture for the year was \$1,935,000. There would be some addition to that probably in the supplementary estimates. The sum was less by \$3,073,000 than the estimates on capital account for last year. The P. oh capital account for last year. The P. E. I. road required an expenditure on capital account of \$510,000, which is \$24,-000 above that of last year. Canso exenditure would require a capital ex-anditure of \$1,275,950, which was \$1,230, penditure of \$1,275,950, which was \$1,250, 000 less than last year, but it was liable to be increased by some further sum in supplementary estimates for the year to come. The total reduction, therefore, on capital account, as compared with last year, was \$4,270,000.

He took occasion to refer to some criticisms which have been passed upon ex-penditure made under capital head upon the I. C. R. during the past five years. The opposition and the opposition press denounced the government in the most unqualified terms because of what they chose to regard as an enormous expendi-ture. They did not think it at all ger-mane to the subject to examine into the different items which constitute the total amount. They did not think it necessary amount. They did not trains it necessary to ask themselves whether or not these various purposes for which this capital outlay has been asked were proper and legitimate purposes or not, but have totalled the whole amount and have even in the the test amount in their state exceeded the total amount in their state ment. They have stood, as it were, trans fixed with horror in the idea that so large a sum should have been expended for

such general purposes. The total expenditures for the year for which the present government was responsible, including outlay for purchase of the Drummond County line, was \$12,-486,961.

On rolling stock, Mr. Blair said, we ex pended in five years as follows: 1897, \$14, 000; 1898, \$65,000; 1809, \$619,000; 1900, \$573,000; 1901, \$1,500,000.

 \$573,000; 1901, \$1,500,000.
We expended on rails and fastenings,
\$400,000 and for building and renewal and bridges we have expended:
*In 1899, \$50,000; 1900, \$97,000; 1901, \$167.000.

For increased accommodation, which includes various items we expended: In 1897; \$65,000; 1898, \$157,000; 1899, \$300,000; 1900, 729,000; 1901, \$772,000. We

expended on the ferry service in the strait of Canso, \$317,000 in 1901.

Upon station buildings, sidings and mis-bellaneous we expended: In 1897, \$68,000; 1898, \$32,000; 1899, \$110,000; 1900, \$416,000; 1901, \$427,991. Or in round numbers, say seven million of money actually expended. Our expend iture on capital account for 1902 is \$4, 000,000, our expenditure on the Drum mond County railway is \$1,459,000. These items together make up the total I gave you of twelve and a half millions in

you of Mr. Blair pr

expenditure was justifiable. He said not to go further back than in the last year of Mr. For six years before the gross earnings upon the I. C. R. were practically stationary. The highest item during that whole period was \$3,012,739, barely more ince.

than over three millions of dollars. In 1897, under similar conditions, the

ocomotives, freight cars of greater capageneral statement of Mr. Joughins that

accommodations generally. That was a statement, said Mr. Blair, of an experienced man as to what a modern railway required. Was there any reason why a government road should be an exception to all other roads? Was there any reason why a government road should ramain out of date. Why should the road bed be a discredit to the country? not the country entitled to respect from enlightened and proper administration of the J. C. R., that it should be as good, as

complete, as comfortable, as speedy, as convenient and in as good condition as any other railway in Canada? Did the of opponents of the govenrment to give there has been a wasteful extravagance in the enormous sums of money-as choose to characterize them-which have been laid out upon the road. Are they attempting to deceive the people?

Opposition Misleading the People.

They are misleading the people in a way which is not worthy of any political party and until they can show that in the ex-

penditures we have made upon this road on capital or any other account we have been wasteful, that we have made expenditures without reasonable necessity, they

have no case against the administration of the government railway. And, mark you, as in the incidential cost of running the trains the single item of fuel might be taken into ccount, such as oil and waste, the rate wages paid, it would cost practically the same to run a train hauling 300 or 400

train running 1,100 or 1,200 tons.

Passenger Accommodation Was Needed.

Mr. Blair read the last of the superin tendent's report dealing with the passen

"It is difficult to speak with certainty what ought to be done to meet demands of passenger traffic, both in regard to ocomotives and cars it is more a question of competition, appearance, speed, comfort and safety than one of reducing the ex penses per train mile. I feel that you are quite familiar with the needs and require-ments in regard to this and I need not say very much about it beyond pointing

out that the passenger arrangements are Blair proceeded to show that this small and the condition of our trains i anything but a good advertisement for our Haggart, and the gross carnings of the road. A stranger visiting the province for the I. C. R. for that year were \$2.957,000. the first time would conclude from appearrassed financially or that the government could not afford to make a decent appear

Mr. Haggart-What is the date of that

The second second second

vious reports of 1897. Heavy, efficient locomotives, freight cars of greater capa-city were mentioned by the superintend-ent as the basis of an economical service. A better passenger service would act as good advertisement to the country. In 1996 there were only 156 engines for freight; not one of these was fit to be used on the main line and were altogether too small when purchased. The best of the locomotives weighed only about 50 tons and could fhaul only 550 tons. He recommended that 83-ton engines, which would haul 1,100 tons, should be pur-chased. To carry heavier engines and longer trains the road bed would have to be improved and the bridges strengthen-ed, and the sidings extended, and for the greater volume of freight sheds, and for the pas-senger traffic more stations and increased accommodations generally. The trans the roat bed Mr. Blair, all Canada are participants in the cour forts and facilities which are afforded or in proper shape. Made the C. P. R. Improve. been able to get large locomotives fast enough. We have not begun to realize the advantages which will accrue from the equipment of the road with large lo comotives so that we are yet in no pos tion to claim that we are fully and con pletely equipped.

HEAVY RAILS THIS YEAR.

Safety and Security of Travelling Public the country. (Cheers.) Requires Expenditure. A Yord to Mr. Monk.

We are spending this year \$400,000 o capital account for rails. We must put down heavy rails to bring our road up any other railway in Canada: Did they people of this country approve or did they not of having the railway which belongs to them in such a shape that it will re-flect no discredit upon either them or the government? The man who interprets the sentiment of the people of Canada in any other way, misinterprets that sentiment, while he added, it might suit the purpose of opponents of the government to give currency to a view among the people that our line. We have spent \$200,000 within the last three years out of capital for the purpose of strengthening these bridges. I would have been better pleased and the road would have been better served if we had spent double or treble that amount during that time. It would have been better if the government had spent more than that for new rails and more rails, but I think honorable gentlemen would be inclined to assume that, if i had been possible for the government t have authorized estimates for a larger sum they would have done so and if the

had thought that parliament would have approved of larger estimates they would have done it, but we must move caution ly and moderately in these things.

Can't Make a Stock Issus

"We cannot do as company roads do irculate their stock, get \$20,000,000 at on time and do the things which are nece sary. We must go to work in a more moderate way. The expenditures we have made in these years have been less than we would have liked to have made.

or 500 tons as it would be to have a

Additional Sidings.

The expenditures for sidings and accommodations have been very large and wi ger service, it said:

amount, during this time to about \$2,000-000. Does anybody say that with heavier trains and heavier locomotives we could get along without increased sidings? There were hundreds of miles, which have been added to the railway in the way o additional sidings during the last two o

three years. We have spent \$2,000,000 for this purpose. Does any body say that that expenditure was not necessary (Hear, hear). You had better pull up your rails and tear down your roads an tell the people that you do not want a railway down there than run it in the two-penny half-penny way in which it

was going on. "If you are going to have a railway that is creditable to Canada you cannot move one peg without doing the whole work You cannot have locomotive (Cheers). that will economically carry the freigh that will economically tarly the income in unless you have heavier rails, longer sid-ings and larger cars. All these things follow in the train, one upon the other, just as naturally as day follows night, and

gotten that the commercial people of all Canada and that the travelling public of able for service during the year to come Mr. Monk-By tender.

Mr. Blair-Yes, by tender, I am just going to break a way for a moment to make that road. I am satisfied for my part, that the people of the entire dominion desired that the I. C. R. should be put an observation for the benefit of my honorable friend Sir Wilfrid Laurier-It will be lost on

Mr. Blair-I hope not. I know how deeply he felt, how full of regret he was, when he came to be informed that this "'Let me ask what was the condition of "Let me ask what was the contacton of the C. P. R. before we entered on our era of improvement on the I. C. R. Are there not gentlemen here who travelled over the C. P. R. before we brought the I. C. R. up to its present standard and do they not know it to be a fact that the bettee molity of the service and the great government had three or four years ago gone over to the United States and got a locomotive built there for the purposes of the I. C. R. The picture which he presented when the enormity of such conduct better quality of the service and the grea came to his mind was one which elicited from me a feeling of profound sympathy. I do not think that if he were the bittercame to his mind was one which elicited from me a feeling of profound sympathy. I do not think that if he were the bitter-est opponent of mine I could wish to have him suffer the grief which then ap-peared to weight him down, but it did strike me with some surprise that he should have been so grief stricken for the first time. It did appear rather singular that he had not seen some evidence of his extreme regret that such a policy should er convenience which we inaugurated o er convenience which we inaugurated of the I. C. R. stimulated the other roa to our example. I think the members o both sides of the house will recogniz that there is a place which a governmer railway can properly fill in every countr It can be an example and a stimulus other railway companies throughout the country to attain to the same high stand ard of service. And, sir, if a government railway does no other good than that it does a very great deal for the benefit of xtreme regret that such a policy should have been tolerated by the country when the government which he himself support-

ed did exactly the same thing, and did i under conditions which did not make it necessary, as they did in our case, for his friends to take that course. We have a re-"I say that my honorable friend from Jacques Cartier (Mr. Monk) for instand does not represent the people of Mon treal or the people of his own district port from the committee upon railway matters to which I can refer. He himself when he speaks in the contemptuot terms hè does of the I. C. R. He do did not favor the committee with his presence so far as I am aware and how not represent the ideas of the peop when he treats the I. C. R. as if it we he came to be so impressed with the impropriety of the conduct of the majority of that committee I do not know. He is unworthy of serious consideration. I an quite sure that the people will not ap quite sure that the people will hold approve of what he has said in that regard for I know that the citizens of Montreal are more than pleased with the results of our bringing the I. C. R. to that city Now, sir, I think I have proven that the very much concerned about all these mat ters, he is very anxious that information should be secured yet my honorable frien was never present at any meetings of that committee which I had attended and 1 expenditure on capital has been necessary and justifiable." have been present at all its meetings. Mr. Monk-You will not let us find out Blair then dealt with those who

anything there. Mr. Blair-My honorable friend was not there to try to find out anything. But he fired off his shot long range.

I want to tell my honorable friend what ook place in that railway committee, and f he had been present, I have no doubt hat he would have to be carried out or a stretcher. It appears that there was a circular issued by one of the officials of the I. C. R. stating that the mechanica uperintendent of the road had condemned the locomotives which were in use upo the government railways. My riend who was conducting the examinaion (Haggart)' called a witness all the way from Moncton for the purpose of giv

had condemned those which had been re-cently purchased by my department in the United States. And what facts did he elicit? He elicited the facts that this circular was erroneou per cent. in the gross earnings as compared with 1896. Our working expense in that it quoted him as making a state ment that he had not made, that he had never condemned the locomotives, but had

me minor particu'ars in order that they night steam to the best advantage, and he attributed the delay in trains to the fact that they had not been sent to the hops. He was asked by my honorable friend what locomotives he referred to and gave the numbers. I think they were 24, 28, 66 and 68. My honorab'e friend asked there did 24 and 28 come from and the nswer was that they came from the lingston works, so you see so far as two of these locomotives were concerned the nonorable gentlemen were not able to show what they had expected. Where did the others come from? They came from the Cooke Locomotive Works in the

eferred to Mr. Russell as an importation courtesy always exhibited by our emreferred to Mr. Russell as an importation from the United States. Mr. Ingram-I am a Canadian in the first place, and when any man imported into this country runs down the manufacployes compare favorably with other roads

of common sense is it possible for any honorable gentleman to construct the ar

in the country. "I want the men to see that they have something to look forward in the service turers of Canada, I am opposed to him. Mr. Blair-If the honorable gentleman wants to be set right I can tell him that and that they will not have to depend upon political pull for a promotion. I want that a young man should know when he enters the service that he can rise by there was nothing in the statement he made which could be construct as runmerit. (Cheers.)

ming down the products of Canada as such. "After all there are these different heads, ways and works which include all A Pension System.

"Then we are doing something more that is laid upon the track, all that is laid out for improvements upon the sta tions and all that is laid out for sidings than that. I am planning a system by which men when they get to be ad-vanced in years and when they become repairs to cars and renewals of cars. These are the three heads under which unfit for real work may reure upon a pension. I think we have practically the various amounts are found which hav reached an agreement by which we make a substantial contribution towards the fund and the men make a substantial contribution towards it out of their own wages. They have a right to the tenure of the positions in which they are em-ployed by reason of their contributions to this fund and they get the full benefit from them. I believe by this means a fine spirit will be brought into existence amongst the employes when these plans are in full operation, as I hope they will be before long. (Cheers.) "I have been passing away from the itams of increases in order to worklow keeping up, respairing and improving of the road in its various departments ou of the earnings in 1900 and in the nam

items of increases in order to mention what has been done in this direction. You see, therefore, that when you add these items together we expended \$300,000 more during this year than we did last year upon maintenance and improvement of the road out of earnings. You see we paid \$280,000 more for our coal than we would have paid if the price had been the same as it was year before. You see we have increased the wages of our men by \$120,000 on the same number of men. We have on the whole, therefore, to provide for \$700,000 more than we did the year before. We did that, sir, as the result of the operation and we have got a deficit of only \$488,000.

Carry the Road Westward.

"I am not one of those who think that the I. C. R. has either reached the limit of its progress or that it has ceased to be an important factor in the business of this country. I have looked forward and still look forward to the time when there will be important extensions of the I. C. R. When we reached Montreal that was recorded by me as the first step in the regarded by me as the first step in the onward march of progress, but I do not think it ought to be the policy of the government in the future to stop there but that when the proper time comes we should carry that road forward to another point westward and then perhaps still farther westward. I have always felt thu when the time was ripe one of the best things that could be done in the interest of this country would be to extend that road from Montreal to the Georgian Bay."

I am now going, said Mr. Blair, to pass (Cheers). I am now going, said Mr. Blair, to pass (Cheers). "I believe that the expenditure of a on to a brief reference to the condition of things during the year for which the accounts are before us. The gross earn-ings were \$4,972,235, as compared with our gross earnings in 1896 of \$2,957,090. There was, therefore, an increase of 66 moderate amount of money upon the ac-quisition of that road and upon doubling the track, if necessary, would put the people of this country in a position in which they could control a national route, national in every sense, because every foot of it would be in Canadian territory; last year were \$5,320,000, showing a net loss of \$348,000, to which we must add the rental upon the portion of the G. T. national because it would carry those western products in the winter season as well as summer season to ports which

Gross Earnings Increasing.

if necessary, running from the ports of Halifax and St. John to Montreal and thence in the neighborhood of Ottawa, through to Georgian Bay, would be able

to control a very large portion of the traffic of the western country by our own year was \$485,000 when the year before we were able to show a substantial sur-phus of \$120,000 and in making this state-ment I wish to call attention to the cor-ditions and circumstances which existed last year and which did not exist the year before or years previous. In the first place, let me point out that, as com-pared with the year before when ye had compute of \$120,000 we spent \$200,000 me, \$20 gross carnings amounted to \$3,360,000. In 1898, before the Drommond County Rai-way-was in operation, the gross earnings were \$3,17,000. In 1899, hey increased to \$7,38,000, and in 1900 to \$4,552,000. In 1901 the earnings amounted to \$4,972,000, of only a little less than five millions of x. In gram—The honorable gentleman x, rangement may be worked in the fixed graft may be worked in order that the road may be worked in the result at the road may be worked in order that the road may be worked in order that the road may be worked in the result at the road may be worked in order that the road may be worked in the result at the road may be worked in order that the road may be worked in order that the road may be worked in the result at the road may be worked in the result at the road may be worked in the result at the road may be worked in order that the road may be worked in order that the road may be worked in order that the road may be worked in the result at the road may be worked in order that the road may be worked in the result at the road may be worked in the result athe result at the road may be worked in the result at the road

"I believe that a line double tracked, Our gross earnings have been increa ing since the end of last year at the rate of about \$400,000 per annum. It is fair that I should give the committee an ex-planation of why the deficit for the last year was \$488,000 when the year before

R. line that we use of \$140,000, which makes a total of \$488,000. Double Tracks. St. John to Montreal.

of earnings than these honorable gentle men did, making allowance for the august tional mileage, we would have had a sur-plus of \$80,000 instead of a deficit of \$188,000. (Cheers.) Mr. Blair showed that in the estimates which Haggart had prepared in 1896 there was \$15,000 for rolling stock charged to a stock and a stock of the stock and the stock of the st capital account, yet he (Haggart) said that such sums should be charged to earn ings. It could not be got out of earn-ings, besides there were \$165,000 accommo-dation at Halifax and expenditure at

gument or to support it that we have taken money out of capital to do what they did in order to make a comparison with them. The Operations in 1901. "I will give for the benefit of my honor able friend the result of the operation of the road in 1901 in which year we have

deficit of \$488,000, and I will show what was spent for maintenance-ways an orks, repairs to locomotives, renewals locomotives, repairs to cars and renewal of cars. The late government spent in 1896 for these purposes \$1,498,500, while we expended in 1901 under the same heads \$2,051,182 or \$562,000 more. More

\$488.000. (Cheers.)

other points.

than a half a million of money was laid out on that road in these various depart nents, under these different heads for the purposes which I have named, that is to say for betterment and improvement out of earnings. If we had not spent any more on the I. C. R. for maintenance out

Mr. Blair then dealt with those who said that the expenditure might be justi-fiable, but it should not be charged to capital. In other words they wanted a new system of bookkeeping which would deprive any comparisons with past ex-penditures because the course followed now was the same as pursued by the late government. He said the need of making The Railway Committee. this expenditure is conceded, to bring the road up to the condition to where we are bringing it, and in order that it may

still further improved, there is only one way in which it can be done, and that is

by borrowing, or in other words, on cap ital account. Because the earnings of the

coad do not afford a sufficient margin, even if they were as large as the larges surplus we ever had they would be only a mere drop in the bucket for the purpose

ing an account of himse'f and verifying the reports in that circular. Of course the inference was that in condemning the locomotives the mechanical superintendent

of reconstituting and reconstructing a great railway. How long would it be be-fore we would put down new rails on the

whole road if we had to take the cost of them out of the earnings? How long before we could put down new sidings or

and penhaps it never may be a great sur-

plus paying road. Conditions exist wh may for some years to come control the financial results of the undertaking. would be unfair to hold the I. C. R. the same strict rule to which you would hold railways which are built for com mercial reasons and in view of commercial

mercial reasons and in view of commercial considerations exclusively. I wonder to what extent commercial considerations en-tered into the question of the location of the I. C. R.? "But do not let it be asserted that be cause those conditions controlled the location of the railway, for that reason the

I. C. R. ought to be de pied and neglect ed, and left in the condition of a second or third class road. I claim, therefore, that the position, so far as the question of improving of improving the road out of capital o out of earnings is concerned is exactly

said that they required to be adjusted in

provide a new equipment if we have to wait until we could do it out of earnings? It happens that this road has never been



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