

in the Maritime Provinces is not carried over the Intercolonial Railway at all, notably the flour consumed in Prince Edward Island, hardly any of which ever goes to that Island over the Intercolonial Railway. I think that if the railway were properly managed, at points like Pictou and Point Dechene, the rates should be lower than to other points in order to enable us to compete with the water route by Boston and New York. I do not consider it is a good showing that every Saturday during the past season there should be two lines of steamers running from Boston to Halifax and Charlottetown and every steamer loaded down with Canadian flour which should have been carried over Canadian railways. I think, therefore, that when we take into consideration the rate obtained on flour, it is a good paying rate, far above the usual cost, I believe, on railways which is three-tenths of a cent per ton per mile, as the lowest possible rate that will pay running expenses. We find there is no flour carried over the Intercolonial Railway, even the longest haul they have does not yield them $\frac{1}{2}$ of a cent per ton per mile. Therefore I think that the Intercolonial Railway was negligent. I think its managers were not as active as they should be when they allowed the large proportion of good paying traffic to be diverted from their line to steamers *via* Boston. The hon. member for St. John, drew a comparison between the Intercolonial Railway and our canal system. He thought the same arguments could be used as regards our canals, namely that the cost of work maintaining them is much larger than the receipts. I do not think that is a proper comparison to make. Railways and canals both stand on their own foundation. The fact that our canals do not pay is no reason why our Intercolonial Railway should not pay. The whole question is if the Intercolonial Railway can be made to pay, it is our bounden duty to ascertain how and bring that desirable consummation about. For my part, I have always thought that the Intercolonial Railway ought to pay running expenses, and that, if it was properly managed, there is no reason why it should not yield a dividend to the country. Take the Intercolonial Railway from St. John to Halifax and I do not believe there is any railway in this country which ought to pay better. Look at the large thriving towns and cities through which it runs. It runs through a good country and has no competitor. I do not believe that the road from the Baie des Chaleurs to Lévis could pay very well, but even it should pay running expenses, as the traffic on it is considerable and there is considerable local traffic along the line. Compare the Intercolonial Railway with the Grand Trunk Railway or the Canadian Pacific Railway; take the Canadian Pacific Railway from Quebec to Winnipeg, and see the thousands of miles through which that road runs where it does not get one pound of freight or a single passenger, and then take the Canadian Pacific Railway west again and you will find long stretches where there is not a single passenger or a pound of freight furnished; and yet we find that the Canadian Pacific Railway is paying a good dividend, the stock is away up, the road is well managed. Why should not the Intercolonial Railway pay? There is no reason why. I believe that the amount of freight that must necessarily go down to the Maritime Provinces

would, if that road were properly managed, more than pay running expenses, and the interests of the country would be as well served as they are. So far as carrying coal and iron is concerned, I am not in a position to say what the freight is, but I believe that while the coal to the west may be carried possibly at a small loss, the freight that is carried from one local point to another, is so much higher that taking the coal carriage as a whole you will find the receipts will, at all events, cover the expenses. So that I do not believe there is any loss in carrying coal, and I have shown that the carriage of wheat and flour must yield a handsome revenue. Then the question comes, if you do not make any loss in carrying freight, how does it occur? I cannot help thinking that the loss occurs through the number of unnecessary trains which are run. That point was brought up last year, and it was stated then that a special train was running from St. John to Halifax which cost the country at that time some \$60,000 or \$70,000 a year. That train was still continued for the whole year, although, as has been pointed out to-night by the hon. member for St. John (Mr. Hazen) it left Halifax twenty minutes before the Canadian Pacific Railway train, and consequently no passengers took that train. The hon. members for Halifax and St. John allowed that state of affairs to go on without raising their voice to endeavour to remedy it. The cancelling of these unnecessary trains will save a large amount of money, and I think the Government and especially the members from the Maritime Provinces should receive the censure of this House for allowing such a state of affairs to exist so long. The hon. member for St. John (Mr. Hazen) found fault with the management of the Intercolonial Railway for not having agents at St. John and Halifax to see that business men sent their freights over the Intercolonial Railway, and pointed out that the Canadian Pacific Railway had agents who, when the English steamships arrived, solicited their freight. If that is true, if we have no agents actively engaged in looking after the interests of the country, when we are paying them as station masters, road masters and solicitors of freight, if these men are not willing to look after the business, it is time that the Minister of Railways applied the pruning knife and put men in there who would look after the interest of the road and of the country. The Minister had good reasons to say there were many men employed on that road who were inefficient and not competent to perform their duty. I was sorry to hear from the member for Guysborough (Mr. Fraser) that there were 30 agents of the Intercolonial Railway who were also agents for the Canadian Pacific Railway. If that is the case, I think the Government should see that no man employed as an agent or station master on the Intercolonial Railway should solicit freight for the Canadian Pacific Railway. They have quite enough to do in looking after the interest of their own road without looking after the interest of the Canadian Pacific Railway. I do not wonder that there is so little freight and that there are so few passengers going over the Intercolonial Railway when we find the agents in the employment of the Government allowed to largely increase their salaries by acting as agents for the Canadian Pacific Railway.

Committee rose and reported progress.