

the country. In England, where you have an income tax and various other means of raising money, you can easily take a penny off the income tax or add a penny to it, and thereby increase or diminish the revenue some millions a year. Instead of the government acting upon the principle which they had laid down for so many years, that it was vicious in principle to continue a practice of this kind, they are not only satisfied with adopting the policy of the old government, but they have duplicated it by taking the power to themselves to increase the subsidy to any of these railways just one hundred per cent. Why should we have adopted that course, particularly when we know that for two or three years past, there has been a falling off of the revenue, and a deficit, with a prospect of a deficit this year, and perhaps for one or two years to come, and we can only supply that deficit by borrowing, thereby increasing the public debt and the annual interest which we have to pay, which will either have to be raised by direct taxation, or by indirect taxation or by borrowing money. I was sincerely in hopes—because I have had my doubts of the propriety of continuing a system of this kind for a long time—that the organ of the party to which I refer was speaking the sentiments of the government, but unfortunately the organ has changed as rapidly as the government has, and we have now before us a system which gives the Minister of Railways and Canals and his colleagues the power to increase by one hundred per cent the subsidies to all these railways whenever an opportunity presents itself. Does any body suppose for a moment that there is a single railway to be subsidised today, that will not get \$6,400 instead of \$3,200?

Hon. Mr. SCOTT—Oh, yes.

Hon. Sir MACKENZIE BOWELL—The original basis upon which the \$3,200 was given, was that it was then calculated that that amount would purchase the rails for the railing of all these roads. At that time the rails were from twenty-five to thirty or thirty-three and a third, and in some cases forty per cent dearer than they are at present. So you not only rail the road for the \$3,200, but you add to that by direct subsidy for the grading and so on, and now you double it. I hope this is going to cease, un-

less under the new economic arrangements of our tariff you are going to get an immense surplus. Then you can spend it, and I do not know that you can spend it in a better way. But what I object to in this bill more than anything else is the placing in the hands of any party—and more particularly an unscrupulous party, if there be any such thing in the person of the Minister of Railways—the power to hold out to railway builders or speculators the inducement of \$6,400 a mile under certain circumstances. It has been declared in this House over and over again within the last few days that there is no road that does not cost \$15,000 and more per mile. If that is so, they will get the increased subsidy. The question put by the hon. gentleman from Prince Edward Island (Mr. Macdonald) was a very pertinent one, and more particularly in the light of events which have occurred in connection with railways. The government have tried to purchase the Drummond County Railway, which has been subsidized by the Dominion government, by the local government, and by municipalities to the extent of six or seven thousand per mile all through—some six thousand odd dollars per mile. Now we are going to add \$3,200 per mile to the regular subsidy granted to the company that is to build the balance of that road of some forty two miles. The subsidy will be doubled in that case beyond a doubt. The question asked by the hon. member from Prince Edward Island, supposing the experiment that you are to try with the \$157,500, that you have taken for the purpose should prove to be of such a character as to justify your buying that road, are you then going to give them the full value of the road, or will you deduct this additional subsidy which you are now giving the company? If you decide hereafter to purchase, and can induce parliament to purchase, you are assisting the same gentlemen to the tune of \$6,400 per mile to complete the road to the Chaudière, and then you turn round and pay them at the rate of \$17,000 per mile for the road that you have helped to build. It is about time the whole of us went into railway building, if we can get the government to purchase roads from us at that rate, or, in other words, get the government to pay about \$17,000 per mile for a road which cost the promoters six or seven thousand dollars at most. If we had time, I certainly