

branches of the service, and sometimes even the officers in the same branch, work at cross purposes, were eliminated. Comparatively little progress was made in checking the illegitimate demands of the public on the railway department, demands enforced by members of Parliament acting either behind the scenes or in the open.—(Railway Age, September 11th, 1903.)

Sir Robert Hamilton, who has seen the work of the Commissions at Melbourne and Sydney, writes:

I believe that any guard upon our parliamentary representatives in the shape of permanent commissions appointed by them, must, as experience appears to be already showing, break down.

From all the evidence it seems clear enough that a Government railway is bound to be a political railway with all the attendant evils and deficits.

#### EXPERIENCE OF INTERCOLONIAL.

When the Intercolonial Railway was built in Canada, there were constructed 720 miles of road, at a cost of \$36,000,000. The road was then, in 1877, supposed to be completed. In 1903, various Governments had been induced to extend the road, and in 1903, there were 1,290 miles of road, and the cost had gone up to \$70,500,000. In addition to this, Parliament, during the session of 1904, authorized the purchase of the Canada Eastern, a New Brunswick road. On that occasion, Mr. Haggart, whose friends say he is in favour of Government ownership, declared that it would be better for the country to pitch the purchase money into some bog hole along the line of the Intercolonial, because the road will entail a loss to the people. The Government did not agree with this view, but it is the view of Mr. Haggart, one of the Opposition leaders. When he was Minister, Mr. Haggart himself made additions to the Intercolonial.

From 1868 to 1902, a period of 25 years, the working expenses of the Intercolonial amounted to \$92,600,000, and the receipts to \$84,000,000. If the interest is added and calculating it at about \$2,000,000 a year, then the loss to the people of Canada by Government operation of the Intercolonial, during these 25 years, was almost \$60,000,000.

But unwise or reckless political management may cause a far greater loss. This was illustrated by the evidence given before the Civil Service Commission in 1892 by Mr. Collingwood Schreiber, Deputy Minister of Railways. When questioned on the subject of land claims against the Intercolonial, Mr. Schreiber said:

There is an instance of a piece of land that was taken for the Intercolonial as a gravel pit, in the wild woods near Gloucester Junction, for which the Government offered \$5, I think. Afterwards they increased the offer somewhat, hoping to settle the matter. The owner is now claiming \$70,000.

No wonder Mr. Schreiber on that occasion deplored the tendency to hold up the Government of the day at every turn. It is a notorious fact that when Sir Charles Tupper was Minister of Railways, Mr. Schreiber estimated the cost of the construction of 14 miles, known as the St. Charles branch, at \$350,000, and finally, in order to include compensation for all the land and buildings expropriated, increased the estimate to \$600,000. The actual cost of these 14 miles exceeded \$2,200,000. To multiply these transactions by extending the Intercolonial across the continent would be an act against the wishes, and certainly against the interests, of the people of Canada.

On one occasion Mr. L. H. Holton, one of the Liberal leaders in Parliament, described the Intercolonial as a "sink-hole of corruption, fraud and embezzlement." The answer was given in one of the first reports in 1874:—