

at this session for the administration and operation of the Intercolonial during the fiscal year which is to commence on the 1st of July next, the efforts of the Department of Railways will be to see that that money is expended so as to secure the best possible returns, so that the results which we hope for will be accomplished and will redound to the honour of Canada and to the advantage of the trade of the country. The Intercolonial Railway is a safeguard and a regulator of the transportation charges of the country, and in that way alone it is contributing very materially to the advancement of Canada.

Hon. JOHN HAGGART (South Lanark). Mr. Speaker, the hon. Minister of Railways and Canals (Mr. Emmerson) has shown wonderful alacrity in making his budget speech at this early period of the session. We on this side of the House have usually had two or three days notice at least when this important question of transportation and the management of the Intercolonial Railway was to be discussed. It was only at two o'clock to-day that I heard that the hon. gentleman was going to make his speech to-day. I had not the honour of a communication from him that he intended to do so.

Mr. EMMERSON. It was announced last evening in the House.

Mr. HAGGART. Yes, when we adjourned at one o'clock in the morning, the hon. gentleman placed his report on the table of the House and announced that he intended to make his budget speech at three o'clock to-day. I went to the post office and found that his report was not even distributed. However, the postmaster came to me about half an hour before the meeting of the House and handed me a copy of the report. It is perhaps just as well that the hon. gentleman has had his speech now. It has been confined solely to the deficits on the Intercolonial Railway. We have not had a word about the canals of the country, the question of transportation, or the question of the Transcontinental Railway, questions in which the people of the country are as much interested as they are in the Intercolonial Railway. However, I will deal with the question which the hon. gentleman has presented to the House. It is the same old, sad story of deficits and a bright future for the Intercolonial Railway. Let us look at the position of it. Let us see what was the condition of the annual receipts and expenditures of the road at the time it came into the possession of the hon. gentlemen opposite and for some years preceding. From 1896 to 1892, looking backwards, there was no deficit whatever on the Intercolonial under my management. The receipts of the road were in the neighbourhood of three million dollars and the expenditure three million dollars. What a

change has come over the management since. Look at the road now—the only road we had between 1896 and 1905. Let me show its financial position in 1896:

|  |              |
|--|--------------|
| The amount of capital expended on Intercolonial Railway in 1896 was.. . . .  | \$48,434,492 |
| On the Cape Breton Railway.. . . .   | 3,860,679    |
| The Oxford and New Glasgow.. . . .   | 1,949,063    |
| Eastern Extension.. . . .  | 1,324,042    |
| The Montreal and European Railway—amount that was paid, I believe, to the province of New Brunswick for a claim they had | 33,942       |
| Total.. . . .  | \$55,902,220 |

Less transfers. I am taking this from the reports that my hon. friend laid on the table this afternoon. See page 33.

Mr. EMMERSON. It was on the table last evening.

An hon. MEMBER. This morning at 1 o'clock.

Mr. HAGGART. It may have been on the table this morning at one o'clock—that is the copy of which the minister has possession—but the time we count is when it is distributed in the post office and members are able to get it. The total expenditure then was \$55,902,220, less transfers, \$296,872. Or the total expenditure to 1896, less transfers, was \$55,605,347. To be added to that we must take the deficits from 1867 to 1896 which the hon. minister has stated to be altogether in the neighbourhood of \$8,000,000. That is up to the present time. The amount of deficit on consolidated account from 1896 up to the present day is \$2,447,840. Deduct that from the amount which the minister gave us as the total deficits, according to the consolidated accounts, and that has to be added to the \$55,605,000.

What is the amount these gentlemen have spent on capital account since then? They have spent from 1896 to 1905 \$21,868,216 plus the deficit of \$2,447,840.

But to make a comparison between the earnings on the Intercolonial Railway to-day and what they were in 1896, you have to add the interest of \$24,000,000 which these gentlemen have expended from 1896 to the present. You have to charge about one million dollars before you can count any earnings. Yet the hon. gentleman is hopeful! That is the financial position of the road which he presents to us. He makes the statement to the House that the deficit on current account was \$1,800,000 and the expenditures on capital account last year was \$4,400,000. No wonder he wants to divert the attention of the country from this enormous expenditure to other things which he pretends justify it. Well, the Intercolonial Railway runs through a fairly good section of country for commercial, agricultural and all other purposes. Why