

the most careful study of the matter, I feel warranted in stating my belief that the period of any material deficits, or of any deficits at all, is at an end. I am quite satisfied that the hon. gentlemen opposite will feel that, instead of deserving any censure, the Government are entitled to the fullest consideration for their efforts in regard to those Railways. If the apprehensions of hon. gentlemen opposite are well founded, and any reductions in expense are made at the cost of maintaining this Railway stock, or the road itself in thorough efficiency, instead of deserving credit, we should deserve only censure. Those economies were entered upon with the full knowledge that no more mistaken policy could be adopted than one that would expose the Government and Department to condemnation on this vital point. I have done all that was possible to assure myself that we were running no such risk, and to satisfy myself that I am safe in saying that in the coming year the receipts from those Railways will nearly, if not actually, balance the expenditure upon them.

MR. ANGLIN: Will the hon. gentleman give us a statement of the car mileage?

SIR CHARLES TUPPER: I shall get that statement in a few minutes.

MR. MACKENZIE: If the hon. the Minister of Railways has succeeded in saving as much money as he claims to have saved, of course we shall give him every credit. Nothing would give me more gratification than to be able to give him abundant credit in that respect. But I must say, that the statement he has presented is exceedingly fallacious. In the first place, I have knowledge of the state of the stock. He assures us that the Railway stock is as good as when he received it at our hands. He admits the road was handed over to him in the most admirable order, including Railway stock and all appointments.

SIR CHARLES TUPPER: Hear, hear.

MR. MACKENZIE: During the entire period in which I administered the affairs of the Public Works Department, we never got the road up to proper condition till our last year of office. He claims credit for saving a great deal where there was no saving at all. The stores published in 1878-9 amounted to

\$415,985. I give him credit, for the whole of that year, as purchasing the stores. We had three and a-half months of it, no doubt, but still the hon. gentleman must be responsible for whatever was purchased outside those three and a-half months. We purchased for \$485,859, there being a decrease in the purchase of \$69,063. Then we had stock in hand, in 1878-9 \$345,452. The hon. gentleman had stock in hand at the end of the year of \$243,758, or \$110,643 less. This accounts for over \$170,000 of the amount he claims to have saved.

SIR CHARLES TUPPER: Not a dollar of it. In the operation of the Intercolonial Railway, you charge it with every dollar's worth of stores in use. That is a mere matter of account. It does not touch the question of the operation or expenses of the road.

MR. MACKENZIE: The hon. gentleman will not escape me in that way. He sold a great deal of those stores, and put the proceeds to Revenue Account.

SIR CHARLES TUPPER: Not a dollar. Every dollar from the sale of stores goes into the Consolidated Revenue Fund; not a dollar is used for the road.

MR. MACKENZIE: The amount of stores on hand must be accounted for, and there is no way of accounting for that deficiency but this—that the hon. gentleman did not buy as much as we bought, and has left less on hand than we left. Of course it had all to be charged. Then, during that year, no less than \$105,000 was charged to Revenue which was really expended, practically, on Capital Account, for buildings and various other objects. Then there is a sum of \$210,674 for permanent renewals, which the hon. gentleman gave as \$168,309; he has thus to account for the difference of \$42,278.

SIR CHARLES TUPPER: I gave the hon. gentleman the \$168,000 as the total amount for renewals charged against the eight months mentioned. I was comparing the total charges, and gave every dollar.

MR. MACKENZIE: The hon. gentleman will observe in his own report that the sum is stated at \$136,000, in addition to which \$42,378 was expended in the first half of this year, making the total of \$210,674, expended, too, from revenue. The number of workmen we left in the va-