

at work, and before we can have any information from it, we are to spend \$120,000,000, perhaps \$150,000,000, without any data or information from that source.

Then I have pointed out the absence of safeguards to preserve Canadian traffic for our Canadian routes. I have pointed out that the Grand Trunk Railway is really in control of the Grand Trunk Pacific Railway, and designedly so by the Act of this government, which obliges the Grand Trunk Railway to hold \$24,900,000 capital stock of the Grand Trunk Pacific Railway stock, which it may acquire at any nominal price that may be agreed upon between the two companies, and that the Grand Trunk Railway can take over the freight at Winnipeg, North Bay, Gravenhurst or Quebec and carry it to Portland without violating a single stipulation in this contract. That is certainly a grave defect. I have pointed out again that the distance from Quebec to Portland is less than 318 miles, and from Quebec to St. John, the shortest possible route, even taking the estimates of my hon. friend, is from 470 to 490 miles, and from Quebec to Halifax, the shortest possible route claimed by my hon. friends opposite, is 586 miles. Even if you make the tolls the same, the Grand Trunk Railway will get all the tolls from Quebec to Portland, whereas to Halifax or St. John it will get only a very small share of the tolls. Therefore it is of prime importance that the Grand Trunk Railway should be bound by some restrictions in the contract. It has both its terminals in the United States, and you cannot blame it for taking its traffic to Portland if it can make more money in that way than by sending it to St. John or Halifax. But I blame the government for not stipulating in this or some supplementary contract that that traffic cannot be carried by the Grand Trunk Railway to its American terminals, but, in consideration of the aid given to the Grand Trunk Pacific Railway, must be carried to Canadian ports.

Then this scheme of the government absolutely fails to take into account our great inland water ways, on which we have spent some \$80,000,000. They propose to side-track the water ways. According to their experts, the whole of the western grain will be brought over this railway, because it will be the cheapest route. Well, what then is to become of our water ways? or, if the combined rail and water route is the cheaper, what is the object of spending \$120,000,000 to \$150,000,000 on this scheme? If the grain will go to the western shores of the Georgian bay and be transported thence by water or by combined rail and water to Quebec and Montreal, why should the country be saddled with an expenditure of \$120,000,000 to \$150,000,000 on building this road to Moncton? The government can take either horn of the dilemma they chose. Either this road is going to accomplish the wonderful things claimed for it, or it will not. If

it should, what will become of the \$80,000,000 spent on our water ways? On the other hand if it should not, and we continue to use the water ways, of what utility will be the road? If we are spending this enormous sum of \$120,000,000 or \$150,000,000, as estimated by the ex-Minister of Railways, when will we be in a position to equip the Georgian bay ports, to develop our canals and to do anything effective for the ports of Montreal, Quebec, Halifax and St. John? It will be an enormous expenditure and will leave us in an absolutely helpless condition for many years to come, so far as the development of our inland water ways is concerned.

Further than that, this new road will strangle the Intercolonial by leaving it with its present terminus at Montreal. There can be no doubt in the mind of any one who listened to the debate on the extension of the Intercolonial from Quebec to Montreal, that the proposal then was to bring the Intercolonial then to Montreal in order that it might compete for western traffic. Well, it was brought to Montreal and has not secured very much of that traffic. What is the reason? The reason is that it has no western connections. True a contract was made with the Grand Trunk Railway, which was heralded to us as absolutely securing to the Intercolonial a very large portion of the western traffic, but so far we have not secured that traffic, let the reason be what it may. We have two railways coming to Montreal and one very close to Montreal—the Canada Atlantic Railway, the Grand Trunk Railway and the Canadian Pacific Railway. So far as the Canada Atlantic Railway is concerned, it brings its grain from Coteau principally by steamer, and the Intercolonial has no connection with the point to which that grain is brought in the city of Montreal. The Grand Trunk Railway brings grain to Montreal. It has its own connections to Quebec and to Portland, and it takes the grain to either one or the other. The Canadian Pacific Railway also has its eastern connections. But the Intercolonial remains at Montreal, absolutely helpless so far as competition for western traffic is concerned. If, instead of leaving it in that position, you extend the Intercolonial to the Georgian bay, you create for that road an entirely different condition of things. You then have the Intercolonial, the Canadian Pacific Railway, the Grand Trunk and the Canada Atlantic, all competing on the eastern shores of Georgian bay for the traffic that comes from the great west. That traffic is brought by steamers, by independent lines, and the Intercolonial would be on equal terms with these other railways in competing for that traffic. Is there any good reason why the Intercolonial should stop where it is, at Montreal? We have talked a great deal about government ownership, but I repeat what I have already