

had the same experience. Every manufacturer of Canada, whose wares enter into the construction of the Transcontinental, knows why it is costing more, because he is getting higher prices than he did in 1903. Every workman in the factories knows why, because he is getting higher wages for the work on the Transcontinental than he did in 1903. Every rail maker knows, because he is selling his rails at a higher price than he did in 1903. Every coal miner knows because he is getting more from the coal he produces which is used in making the rail. Every lumberman who supplies the ties, every shantyman who goes into the woods to cut the timber for the ties, knows why this road is costing more, because he knows he is getting more wages to-day than he did in 1903. Every labourer on the road knows that the higher wages he is getting must increase the cost of the road. But so long as this road is well constructed, so long as we have the proud satisfaction of knowing that we are getting the best Transcontinental railway ever built on the continent of America, so long as that railway is well constructed and equipped, so long as we are moving forward rapidly to the fulfilment of our expectations, the country will not quarrel with the increased expenditure but will say: We wanted the road in 1904, we want it now, and if it becomes necessary to send the government back to power to give us that road, that will be one of the many reasons why they must be returned.

Mr. HAGGART. We have had a very exciting debate over a very simple question. My hon. friend the leader of the opposition asked information from the government as to what the cost of our Transcontinental Railway would be. We got that information from the Minister of Railways, My hon. friend made a calculation upon it and presented it to the House and the country. It was a calculation on which two parties might differ, but the experts at the head of the Railway Department differ very little from my hon. friend the leader of the opposition. Why then all this wind? Simply because the figures now given do not correspond with those which the government furnished again and again to this House, and because these figures are so enormous that they have startled the country.

In their campaign literature which hon. gentlemen opposite circulated from one end of the country to the other, they stated that the cost of this road was only going to be \$8,700,000. The statement of the Finance Minister, which he sticks to yet, is that it was only to be \$13,000,000 plus the interest.

Mr. FIELDING. I do not say that now.

Mr. HAGGART. The leader of the government sticks to the same statement, I suppose, of \$13,000,000. Now the Minister

of Railways sums the amount up to \$26,000,000. A word with regard to this so-called extravagant statement of the leader of the opposition. The Finance Minister tries to make the most out of it he can. That statement is headed 'Statement of the cost to Canada of the National Transcontinental Railway,' and the Minister of Finance tries to lead the House to believe that the leader of the opposition argued that the total cost of this road to the government would be \$250,000,000. My hon. friend never intended anything of the kind.

Mr. R. L. BORDEN. And never said anything of the kind.

Mr. HAGGART. He never said anything of the kind, and he handed over to the Minister of Railways a copy of the account prepared by him, and the account does not contain that amount. My hon. friend makes the amount \$191,000,000, and the Minister of Finance says my hon. friend is committing a fraud upon the country by making a misstatement of that kind. The Minister of Finance, however, hasn't brought forward any proof. It is the logic of the Minister of Finance that is entirely wrong. Suppose the imperial government were to build a dock at Gibraltar at an expenditure of £1,000,000 sterling, and they received a benefit from dockage of ships which paid the interest; therefore, the £1,000,000 is not a straight expense by the imperial government, because they are receiving a corresponding compensation from year to year from the dockage of vessels. The same idea enters into the calculations of the Finance Minister. Get it into the capital account, it is a good investment, it does not show in the receipts and expenditures for the year, and it enables him to make a good financial statement. But any one who looks over the way the accounts are kept by the imperial authorities in reference to expenditure on capital account, if he has common sense, sees the fallacy of the book-keeping of the Finance Minister. The hon. gentleman has done it again and again. Because he gets this as a capital expenditure, and we are only to pay interest on it for seven years, he argues it is an amount that should not be charged against the people of Canada. The Minister of Finance says: Oh, an expenditure of this kind is a good investment, we get our money back. We do not, of course, get the 7 per cent back, nor the interest which we have lost on that cash investment. But my hon. friend seems to think that if we get the railroad back again we have good value for our money. I will go so far as to say that possibly the railway from the Pacific to Lake Superior may be a good investment. But that is something which belongs to the Grand Trunk Pacific alone, it is the only part they are interested in. Does the Minister of