

February, 1901, to carry wheat from all points on its line in the province of Manitoba to the ocean steamers at Quebec, for nine cents per bushel, which would save the Manitoban farmer about seven cents per bushel on present freight rates, to the seaboard, by mixed haul and water carriage. It has also to be remembered that the longer railway haul necessitated by the route under discussion would be compensated for by the smaller rates of insurance, which are at present exceptionally high, owing to the dangers incident to the navigation of the St. Lawrence by the present ocean routes from Canada.

The question may be asked, what about the possibilities of railway operation during the winter through Northern Newfoundland and Labrador, and thence to Winnipeg? My answer is: Little or no difficulty has been experienced in opening the Nfld. Railway through the winter; that the climate here is milder, and the snowfall less, than in the Maritime Provinces, and that in Labrador the snowfall is very much less than in most parts of Canada the average snowfall at Moose Factory, Hudson Bay, being only 80 inches, while at Montreal it is 177. During the exceptionally severe winter of 1904 the Lake St. John Railway was kept open and ran on time when the Maritime railways were blocked with snow for days together.

The question of the cost of the undertaking is one with which this House is not called upon to deal. It is sufficient for our purposes that the well-known firm of Ochs Brothers of London do not regard the same as an obstacle to its being carried out. The only question appears to be whether we shall have 17-knot or 25-knot boats upon the Atlantic route and the tunnel beneath the Straits of Belle Isle. This depends entirely upon the encouragement that is received from the Governments of those countries that will so largely share the advantages of the undertaking. These questions will be speedily settled, for as soon as this agreement has been approved by the Legislature of this Colony, Mr. Thomson, one of the contractors, will leave England to ascertain what can be hoped for in that direction.

Can we reasonably expect that encouragement will be forthcoming from those countries that will be benefitted by this short line scheme? It would be reason-

able to expect nothing less. For years a subsidy of \$1,250,000 to be guaranteed by the British and Canadian Governments, was going a-begging. This subsidy was proposed for an ocean line which would make Canada entirely independent of New York as an outlet for the products of the Dominion. There is no line operating to-day that renders Canada independent of New York throughout the year. The proposed Newfoundland line will do so. As I have pointed out, the wheat producers and cattle raisers of Western Canada will be able to ship by through cars to Newfoundland, and three days later land their shipments in England. The route proposed by this agreement will be the connecting link for mails and passengers between England and the Western Hemisphere, and consequently will be entitled to a subsidy from all countries interested.

The following subsidies are being paid for mails between England, the United States and Canada:

I find by the Return of Subsidies to Shipping Companies tabled in the House of Lords on the 13th August, 1903, that the following amounts were then paid by His Majesty's Government:—

The Peninsular and Oriental Company.....	£161,375	2	6
The Inman Steamship Co.....	20,990	11	7
The Cunard Steamship Co....	229,881	10	0
The Oceanic Steam Navigation Co.....	185,970	10	1
The Orient Steam Navigation Co.....	7,163	3	5
The Royal Mail Steam Packet Co	7,117	0	0
The Pacific Steam Navigation Co	4,885	0	0
The Canadian Pacific Railway Co.....	80,093	15	0
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	£712,376	12	7

Some of these subsidies are paid under agreement, whereby certain ships may be utilized by His Majesty's Government as cruisers in the event of war.

The steamers to be employed in the proposed Newfoundland short line route may be so constructed as to be of incalculable value to His Majesty's Government as cruisers, or, as Lord Brassey would term them, "eyes of the fleet," and it is hoped that His Majesty's Government will recognize the fact. A few years ago the "Shipping and Mercantile Gazette," of London, published some articles on the "Mercantile Marine in War Time," and gave a