

ing for a fast line and if they succeeded in three years to come in having it established, then they would be in precisely the same position as the Conservative government was when it left power, because they had been negotiating for ten years. He forgot for the moment there was actually a contract signed between the Allans and the government, subject of course to the ratification of parliament, for the establishment of that line. I am not at all surprised at this lapse of memory, because almost anything that has been proposed by the Conservative party in the past, that has proved a success, they claim the credit of. Then there is nothing about the Pacific cable. Surely that is of sufficient importance to have deserved a passing notice at least. It has been talked of for years, and there has been vigorous action in reference to it, and I think the hon. Secretary of State will concur with me when I say that had there been a more vigorous policy on the part of the diplomats of Canada, and of the government in particular, that line might now be in working order, and what is equally of importance, if not more important, it would have saved this country and England in the construction of it, had they accepted the tenders that were offered when I advertised, as Minister of Trade and Commerce, for tenders to construct that line. It would have saved more than half a million of money. Then we have no knowledge, so far as the Senate and the House of Commons and the world are concerned, as to what has been done, or what is being done.

Then I find no boasting in this address of the great success which has attended the extension of the Intercolonial Railway to Montreal. We were told that the purchasing of the South Shore Road was going to result in removing the deficits which have been occurring year after year. There is not a word about it. And why? Well, the Minister of Railways and Canals—by that I mean the government—increased the capital indebtedness of the country during the last four years over four million dollars, adding to the annual expenditure some \$143,000 on the interest account at three per cent, but last year there was nearly half a million—no, quite half a million—of a deficit in the operation of the road.

While it is true that the earnings of the road have been larger than at any other former period during its existence, the expenses of managing the road have exceeded the revenue by over half a million of dollars. That is what we have obtained by the purchasing of the Drummond County Railway and the extension of the road to Montreal. Then, is it correct, in this connection, that they have loaned to the Canadian Pacific Railway over twenty locomotives to assist in carrying their freight from the great West to the seaboard? If so, how is it that there have been so many new locomotives purchased during the last few years? That these loans have taken place is beyond a doubt, because, I asked that question of a Canadian Pacific Railway man the other day, and he told me they had been loaned to them. Is it because, as has been announced in the public press, the purchasing of new locomotives could be charged to capital account, and the repairing of fifteen or twenty old ones that required repairs would have to be charged to current account, thereby making the deficit in the operation of the road much less than it really is to-day? However, we will have more of this before us in a very short time.

Nor has the government anything in the address in reference to that state of the Post Office Department which the premier, in a speech in Toronto not long ago, informed the public would result from the magnificent management of the Postmaster General. In a very short time, he told the people of Toronto, the deficit in the working of that department of the government would be wiped out altogether. The present year shows a deficit of between \$400,000 and \$500,000. But that is not all. If those who take an interest in these matters will examine the account they will find that there is a special account kept for the expense in connection with this service in the Yukon Territory. Why should this be? When the North-west Territories and Manitoba were brought into confederation, the then Postmaster General in the Conservative government never thought of keeping a separate account of the expenses attending the introduction of the postal service into that vast territory and country. That was made a charge against the department, and therefore the deficit was much larger