

The MINISTER OF FINANCE. Mr. Muhfeld has not been in the service of the Intercolonial for some time.

Mr. BENNETT. He was in the service at the time this report was written, in May, 1902. Is that still the standing of this company or is the company sailing under false colours in making this publication to the people?

The MINISTER OF FINANCE. I am afraid I cannot add anything to what I have already stated. The officials of the department state that the privilege was accorded to this company of making a trial at their own expense, but that they have not availed themselves of it.

Mr. BENNETT. Then this report is misleading?

The MINISTER OF FINANCE. I do not say anything about that. I do not form any opinion as to the report.

Mr. BENNETT. Do I understand that the privilege is cancelled or is it still open on the terms of the report of Mr. Muhfeld?

The MINISTER OF FINANCE. That will have to be considered if they should make an application. It is intended that they should have the privilege of having a full test made of this apparatus, and if they make an application to us we will consider it.

Mr. BENNETT. Is the report correct in stating that the department were to pay as set forth in the report which I have read?

The MINISTER OF FINANCE. The understanding of the department was that the trial was to be made at the expense of the company.

Mr. BENNETT. Then the report is misleading.

The MINISTER OF FINANCE. I do not say anything about the report.

Mr. BLAIN. Is not the cost of putting on air-brakes cheaper now than it was a year or two ago? Two years ago the minister said that these air-brakes cost \$70 each and now we are told they only cost \$50.

The MINISTER OF FINANCE. I cannot explain that. Things have not become very much cheaper, the good times continue.

Mr. HENDERSON. Is it the reduction of duty on the air?

Some hon. MEMBERS. Hear, hear.

Mr. BLAIN. Labour is higher now than it was two years ago; perhaps the reason is that you are buying a larger quantity and are getting them cheaper.

The MINISTER OF FINANCE. The prices may vary a little, but I have no information that would enable me to explain the difference between \$50 and \$70.

Mr. BENNETT.

Mr. BLAIN. Which is correct, the \$50 or the \$70?

The MINISTER OF FINANCE. I can only be responsible for the \$50.

Mr. INGRAM. When did you first commence buying air-brakes from the Westinghouse Company at Hamilton?

The MINISTER OF FINANCE. The Railway Department has had relations with the Westinghouse Company for a long time, and since they have established themselves at Hamilton we have been doing business with them. That may be two or three year ago or perhaps longer.

Mr. INGRAM. I suppose it is another evidence that the protective tariff brings manufacturers to Canada.

The MINISTER OF FINANCE. There is no doubt that the manufacturing industries of Canada have prospered enormously under the administration of the present government. I cannot deny it.

Mr. INGRAM. But that is due to the tariff of the old government.

The MINISTER OF FINANCE. But hon. gentlemen opposite are complaining that this is a wretched tariff we have now; I cannot understand them at all.

Mr. BLAIN. Perhaps they are cheaper because they are manufactured in Canada.

The MINISTER OF FINANCE. I cannot say. It is since this government came into power that most of these things happen in that way.

Mr. BARKER. Is not the explanation that that since the Westinghouse Company came into Canada they have entered into a new contract with the government at a reduced price?

The MINISTER OF FINANCE. I have no information as to that.

To exchange draw-bars on freight cars, \$46,000.

The MINISTER OF FINANCE. The cost per car is \$40. The total number of freight cars on June 30, 1902 was 9,689; the number equipped with master car builders couplers was 5,743 to June 30, 1902; there remained to be changed 3,946; there were changed last year, 1,008 and there remained to be changed 2,938. This vote is supposed to deal with 1,150 cars.

Mr. BARKER. As I have the report of the Railway Department here now, I find that the exact number of cars out of service to the end of June, 1902, is 571; I said 560 from memory. The minister thought they were improving, but the report shows that at the end of the previous year the number out of service was 361, so that he has gone 210 to the bad during the year.