

think any rate is too high. The Intercolonial Railway receives only $\frac{2}{100}$ of a cent per mile for the flour going to Halifax, which is not a paying rate at all. The hon. gentleman from Kent (Mr. Campbell) says that is true, and the rate ought to be put down low at Halifax and St. John in order to compete with Boston. In order to give the trade to our own railway, there is a rebate at Halifax and St. John, and, therefore, the question is not whether the same rate should be allowed on the whole line, but simply whether at all the intermediate points a reasonable rate is charged. On the other portions of the line there is not the same reason for granting this special rebate as there is for the great ports of Halifax and St. John. But looking at it from a commercial point of view, freight don't pay at all on the Intercolonial Railway.

Mr. LAURIER. That shows conclusively that we cannot legislate against geography, and we had better have reciprocity.

Mr. DAVIES (P.E.I.) I would like the hon. gentleman to say when the same principle does not apply to the carriage of flour which goes to Prince Edward Island. There are about 200,000 barrels of flour going there yearly, which now goes by way of Boston; whereas, if you allow flour going to Charlottetown to go at the same rates of carriage as to Halifax and St. John, the cars which now come back empty, would carry that flour at a profit.

Sir JOHN A. MACDONALD. That is a point worth consideration.

Mr. MILLS (Bothwell). I would like the hon. gentleman to say why the Railway Committee of the Privy Council, that undertakes to regulate the rates of other roads, does not apply the rates that are fixed on other railways to the Intercolonial Railway. It seems to me that might be done until the road pays, and then if the Government chooses to run the road without profit, but at the same time without loss, the rates could be reduced.

Sir JOHN A. MACDONALD. I think every miller in the Province of Ontario, including those of Bothwell, would protest against that doctrine. They have got now the supply of flour for the Maritime Provinces, and if my hon. friend succeeded in raising the rates for commercial purposes only, our millers would raise such a storm that even my hon. friend would feel himself bound to yield.

Sir RICHARD CARTWRIGHT. What quantity of coal is taken from Springhill to Quebec and Montreal?

Sir JOHN A. MACDONALD. About 200,000 tons.

Mr. KIRK. The hon. senior member for Halifax (Mr. Jones) before recess spoke of a matter to which I wish again to draw the attention of the Government, and that is the matter of operating the Eastern Extension as a separate road from the Intercolonial Railway. The result is, as the hon. member for Halifax said, to make it very much more expensive for those doing business on the Eastern Extension Railway, and it gives an advantage at any rate to Halifax over the Eastern Extension towns. For instance, flour, as has been mentioned by the hon. member for Kent (Mr. Campbell), is carried from Chatham, Ont., to Halifax for 48 cents per barrel, but it costs 80 cents to take it to Antigonish, which is the station that is used by the section of the country from which I come. Now, Halifax and Antigonish are competing points for the flour trade for the eastern section of the country, and you are giving Halifax an advantage over Antigonish which is sufficient to destroy altogether the trade of the latter place. The rates are so much higher east of Halifax on the Eastern Extension, that I believe there is no flour at all taken east of Antigonish by the Intercolonial Railway. I believe the flour nearly all goes by the way of Boston for points east of Halifax; therefore, I think

Sir JOHN A. MACDONALD.

the Intercolonial Railway and Eastern Extension is losing a very large trade in consequence of the discrepancy with respect to flour and other articles. There is another difficulty which, I think, might be obviated if this railway was operated as one road. Passengers coming west from Antigonish can only get tickets to New Glasgow, where they have to renew, and I do not think that is a state of affairs that ought to exist.

Sir RICHARD CARTWRIGHT. Nobody has a better business capacity than the First Minister when he chooses to apply himself to business, which he does not very often do. Now, as I understand, we convey from the Springhill colliery 200,000 tons of coal at $\frac{2}{100}$ of a cent per ton per mile, and the enquiries I have made tend to show that $\frac{5}{100}$ of a cent per ton per mile, which is about the rate at which English railways carry coal, is the lowest rate at which it can be carried, so that on every single ton that we carry we loose $\frac{1}{2}$ of a cent per ton per mile. Now, if the hon. gentleman will make a calculation he will find that as we convey that coal 600 miles, or thereabouts, on the Intercolonial Railway, loosing \$1.20 on every ton, the keeping up of this colliery costs this country \$240,000 a year, not speaking of the rolling stock and all the rest of it. Now, I doubt whether it can be maintained that you sustain more than 500 miners in getting that coal out.

Sir JOHN A. MACDONALD. It has made a town of between 6,000 and 7,000 inhabitants. There were only 1,200 before.

Sir RICHARD CARTWRIGHT. We cannot afford to pay a quarter of a million to build up a town of 6,000 or 7,000 people. Moreover there was a town there long ago.

Mr. AMYOT. There is a good way of making the Intercolonial Railway pay and that is to connect it with the system of railways north of the St. Lawrence. I do not pretend that we should throw millions into the hands of a private company. I do not say that those who subscribe a few thousands should receive millions from the Government. I think the Government should complete the Intercolonial Railway by connecting it with other systems of railway, when the commerce of the Intercolonial Railway could be doubled. I do not speak only for the interest of Quebec, which no doubt would be benefited if the bridge were built, but I speak of the interest of the Dominion. We talk of the Intercolonial Railway and the Canadian Pacific Railway as making one line from ocean to ocean, which is perfectly true, except that at Quebec the communication is broken. I do not mean to say that private companies should make fortunes out of the Government under that pretext. Those who favor the bridge should be proprietors of the bridge, but even supposing it should cost a few millions, that would amount to nothing compared with the importance of the work.

Mr. JONES (Halifax). Is this a final sum for the Cape Breton Railway?

Mr. FOSTER. It is to complete.

Mr. JONES (Halifax). When is it likely to be opened?

Mr. FOSTER. It will be completed, I think, in October next.

Mr. JONES (Halifax). What has been the total cost?

Mr. FOSTER. Up to the 1st January, 1889, \$1,500,000.

Sir RICHARD CARTWRIGHT. How much of the \$800,000 remains unspent?

Mr. FOSTER. Most of the \$800,000 is spent.

Mr. JONES (Halifax). There has been \$2,500,000 voted. This vote of \$400,000 for the construction of a bridge over the Narrows is in some respects to be regretted. Look at its position at this point of Bras d'Or Lake. We have spent