

a military line, and constructed and located for political and not for any commercial considerations. It was not the purpose of the Government to complain of that, but the fact had to be recognized. In constructing a transcontinental railway the Government had to consider what was best for the whole country, not for the present only, but for the future. He continued: "The line which we propose will extend from the Quebec bridge down on the southern slope of the mountain, which extends through the counties of Levis, Bellechasse, Montmagny, L'Islet, Kamouraska and Temiscouata, up to the town of Edmundston. At the town of Edmundston that line will connect with the system of railways which now unites there, and which has direct railway connection with St. John. From the town of Edmundston the railway will proceed eastward to the town of Moncton, it is impossible to say at this moment by what route, perhaps that of Chipman, or in the vicinity of Chipman. At all events, from this point it is impossible exactly to locate any precise line, or to be able to say where it will be ultimately. Suffice it to say that we desire to have the best and the shortest line between Levis and Moncton. This is the line which would have been adopted in 1867, but in 1867 the settlements within the territory which will be covered partly by this line were few and far between. If there were any at all they were certainly very few in number. But the condition of things has been changed since that time. The surplus of population north of the chain of mountains has overstepped the mountains, and is to be found upon the other side. It has occupied these fertile valleys, which are now rapidly settling up. New farms are being established, new parishes are springing up, and therefore this is our justification, not only for the scheme which we propose, but it is one of the justifications for it which did not exist in 1867, and which exists in 1903."

This line it was argued would parallel the Intercolonial Ry.—in fact the ex-Minister of Railways took strong ground upon this point. If members of the House would look at the map they would perceive that the "Intercolonial" when it leaves the station at Halifax proceeds almost directly in a straight line to the head waters of the Bay of Fundy, where it reaches Truro, and that from Truro the line proceeds in an almost due west course to Moncton; that from Moncton it strikes northward to the waters of the Baie des Chaleurs; that when reaching the waters of the Baie des Chaleurs it hugs the shore very closely until it comes to the confluence of the Restigouche river; at the Restigouche river the line strikes westward and follows the waters of the St. Lawrence river to Chaudiere Junction, a little west of Levis. Thus the line makes a long loop towards the north, it describes almost a complete semi-circle, and the distance covered by it is no less than 488 miles. If it were possible to have a direct line from Moncton to Levis it would be possible to abridge the distance by one-half, but the State of Maine intervenes, and the International boundary line had to be followed, but he believed that by following that line the distance between Moncton and Levis could be abridged by from 120 to 140 miles. Between the existing link, and the one now projected there would be a distance at every point of at least 30 miles, and at some points of at least 75 miles. It was impossible under these circumstances, he contended, to argue that the proposed line would parallel the line of the Intercolonial Ry. Having referred to the attempts made to secure a short all-Canadian line after the completion of the Intercolonial Ry., and to the construction of the C.P.R. line through Maine, the Premier referred to surveys made by the St. Lawrence and Maritime Province Ry., which tradition

said was acting under a tacit understanding between the G.T.R., and Sir John Macdonald for the construction of a railway between Edmundston and Moncton. That line was surveyed, and Mr. Davey, in reporting on it, said: "The total length of the line surveyed from Grand Falls to Berry's Mills was 166 miles, and, adding 36 miles from Edmundston to Grand Falls, and seven miles from Berry's Mills to Moncton, the total distance from Edmundston to Moncton would be 209 miles, which would make the distance from Montreal to Halifax, by the G.T.R., to Chaudiere Junction, the Intercolonial Ry. to Riviere du Loup, the Temiscouata Ry. to Edmundston, and the proposed line to Moncton, and thence by the Intercolonial Ry. to Halifax, 759 miles in all. If, however, the line from the Grand river, north of the Sisson range, which I explored myself, with an assistant engineer, be adopted, a saving of distance of, at least, ten miles would be obtained, and the improvement of the line at the De Chute river, as recommended by Mr. Cranston, would also effect a saving of distance, so that, in my opinion, the total length from Edmundston to Moncton may be reduced to 199 miles, or 749 miles from Montreal to Halifax. Time did not allow for our making a complete survey of the line by these alternative routes at the two points I have referred to, but I believe that when made it will result in the saving of distance already stated." The project, however, fell through.

The line which was to be constructed must be all Canadian, so that the country would be altogether independent of the U.S., and that in the case of any abrogation of the bonding privileges by the U.S., Canadian produce would be carried to the sea upon Canadian railways. The division of the line between Moncton and Winnipeg was to be built by the Government and operated by the Grand Trunk Pacific Ry. "But why did we keep this section of the road in our own hands? Why did we not give it to the company to build as well as the other section? We did it because we want to keep that section of country, which is to be the exit of the productive portion of the west, in our own hands, so as to be able to regulate the traffic over it. The prairie section will be teeming with business, as we know; it will be teeming with activity, as we know. Already there are three lines of railway—the C.P.R., the Great Northern, and the Canadian Northern—and this will be still another. Other roads are also going to be built there to meet the increasing wants of the people. The C.P.R. has its exit on the north shore of Lake Superior; these other railways have no exit. It is our intention that this road shall be kept and maintained under our supervision, so that all railways may get the benefit of it, so that the Canadian people may not be compelled to build another road across that section of the country. The Government would not undertake to construct a line from Winnipeg to the Pacific coast because they did not believe, under existing circumstances, and for many years, perhaps for many generations to come, it will be possible, with such activity as may be developed in that section of the country successfully to operate it as a Government road."

Having mentioned many matters in connection with the country through which the western division of the line would pass, and referred to the possibilities of the country, the Premier continued: "It becomes my duty to lay before the House the conditions on which we are to have this railway built, and unless I am greatly mistaken they will astonish friend and foe by their superior excellence. I may say at once that one of the first sections of the contract (produced) is to provide that the capital stock of the Grand Trunk Pacific, which in the bill before the House to-day is said to be \$75,000,000, is to be reduced to

the sum of \$45,000,000. Of this sum of \$45,000,000, \$20,000,000 shall be preferred stock and \$25,000,000 common stock, and I would call special attention to this feature of this common stock. It is provided that the whole of the \$25,000,000 shall be acquired by the G.T.R. itself. When we were approached by the gentlemen associated with the intended Grand Trunk Pacific Railway, with the view of coming to an arrangement with the view for the building of this line, strong and respectable as were the gentlemen connected with the enterprise, we told them that we would not act with them separately or individually, that we would not act with them unless they brought into this enterprise the old G.T.R., well tried, with a foothold in every city, town, village and hamlet in Ontario and Quebec, and there is the consequence of this first covenant between the incorporators and the Government." It is the intention that the Government should build the eastern section from Moncton to Winnipeg, but that it should be leased to and operated by the G.T.P. Ry. It is also provided that the western section from Winnipeg to the Pacific Ocean shall be built, owned and operated by the G.T.P. Ry. After reviewing the whole of the provisions of the contract the Premier went on to deal with the question of the relative aid of the C.P.R. and G.T.P. Ry. He said that \$25,000,000 was paid in cash to the C.P.R., and works were handed over to that company which had been built by the Canadian Government at the expense of the Canadian people, the cost of which was at least \$35,000,000. Therefore the cash aid which was given to the C.P.R. was in the neighborhood of \$60,000,000—the cash subsidy which is promised and which is to be given under this contract to the G.T.P. Co. will not exceed \$13,000,000 or thereabouts. Under the contract with the C.P.R. Company for twenty years there was an exemption of competition, in this contract there is no exemption whatever. Everybody is free to compete with the G.T.P. Ry., and the G.T.R. Co. has to face competition from whatever quarter it may come. Exemption from taxation was given to the C.P.R. in a manner that is felt even to this day in the Northwest Territories and Manitoba—no one dollar of exemption from taxation is given to the G.T.P. Ry. Co. Under these circumstances he could appeal to Parliament to grant leave for the introduction of the bill.

Respecting Railway Labor Disputes.

An act was passed at the current session of the Dominion Parliament "to aid in the settlement of railway labor disputes." During the session of 1902 an act was introduced by the Minister of Labor dealing with the matter, but was withdrawn after introduction, for the purpose of giving the railway companies and the employees an opportunity of discussing the matter and making suggestions in regard to it. As a result the bill was re-drawn before introduction this session and is now law.

The act provides that whenever a difference exists between any railway employers or employees, and it appears to the Minister of Labor that the parties thereto are unable satisfactorily to adjust it, he may cause enquiry to be made into the cause of the difference. The Minister of Labor may act either on his own initiative or on the application of either of the parties to the dispute. The method of enquiry is to be by a committee of conciliation, mediation and investigation to be composed of three persons, one to be named by the railway company interested, one by the employees, and these two shall choose the third, or in the event of their failing to agree, then the third member shall be named by the Minister of Labor. In the event of this committee failing to bring about