

construction, that he should have made it. That was the time to make the criticism and to tell the people there was something wrong, and had he done that he would be able to say now that he had informed the people at the very start of his career as Finance Minister that it would work out badly. It is rather sad to see men on the other side of the House, particularly a distinguished legislator and parliamentarian like the Minister of Finance, tilting at tombstones. It was bad enough to tilt at windmills, but when you go back 10 or 15 years to tilt at tombstones it is very much worse. This question as to whether the Transcontinental railway should or should not have been built is an old question. It is a question which the people of this country have passed judgment upon two or three times, and to resurrect it now is like threshing old straw. The Transcontinental railway was a live issue when first I had the honour to run for this House in 1904, and the people of Canada then gave overwhelming approval to the policy of Sir Wilfrid Laurier and his Government in that respect. The road was started and advanced a long way towards completion before the next election in 1908, and while it was somewhat of an issue then, there is no question but that the decision was again overwhelmingly in favour of the Government of Sir Wilfrid Laurier, who were primarily responsible for building the road. In the election of 1911 it was not an issue at all; the Conservative party having reached the conclusion that it was absolutely all right, and nobody from the Atlantic to the Pacific had a word to say against building the Transcontinental railway. It was then the fixed policy of the country accepted and endorsed by the people. That being the case, what is the good of the Minister of Finance or anybody else coming here and tilting at tombstones and telling us that this thing never should have been. I would direct the attention of the Minister of Finance to his first Budget speech in 1912 when he was dealing with the finances of the country, and speaking about the Transcontinental railway he said:

Now I come to another matter in which I bespeak the attention of the House as it deals with the Transcontinental railway, or at least the eastern division of that line, and I have thought it well when dealing with the liabilities of the Dominion and our future maturities, to advert briefly to this portion of the Transcontinental which is our chief national undertaking at the present time. The heavy cost of the eastern section of that railway, so greatly in excess of the estimate of the late Government might prove, and I know it has proved

[Mr. McKenzie.]

to a certain extent, somewhat disturbing to the House and to the public. Up to the 31st March, 1911, there had been expended in cash upon this undertaking the sum of \$95,422,533.44. For the current year it is estimated that the outlay will amount to about \$22,500,000, so that at the end of the present fiscal year the Dominion will have expended nearly \$118,000,000. Now, in view of this large outlay, and I think probably that at least \$100,000,000 additional will be expended before completion, I have thought it advisable in the financial interest of the Dominion to present a statement of capital and special expenditures from 1904 onward, that being the first year of the expenditure on Transcontinental railway account, dividing them into outlays on the railway on the one hand and on the other the capital and special outlays for other purposes. Against these I have set the increase and decrease of debt for the respective years, and from the statement it will be found that from the year 1904 to the 31st March, 1911, Canada expended \$95,422,533.44 on National Transcontinental railway account.

I desire to say, both to those of our own Dominion, and to those in Great Britain, if there be any, who have felt misgivings as to the very large amount of estimated expenditure upon the eastern section of the National Transcontinental and the burden entailed upon the country in consequence that I think it will be reassuring, completely reassuring, to know that, great as the cost has been, and will be, a large proportion of that cost for the past, has been and for the future, (if conditions continue as I believe may very well be expected), will be liquidated from the surpluses of consolidated revenue account and will not become a charge upon the future. I think we are all glad that we are able to make that statement.

That is a statement, Mr. Speaker, which to the ordinary man would appear to show that the Minister of Finance was perfectly satisfied with the financial condition in which he found the country when he took office, and perfectly satisfied with the undertaking of the late Government to build this road. Were the hon. gentleman then of the same frame of mind as now, I would suppose he would have expressed himself to that effect. I submit that the evidence which he gave in his speech at that time is a better class of evidence and more conclusive as to the real conditions of the country at that time, than the evidence he gives now when he finds that things have gone bad, by reason of his mismanagement, and when he is trying to escape from the position in which he finds himself, by saying that the policy of the former Administration was wild and foolish in respect to railways. That sort of statement must receive very little attention when we measure it with the position which the hon. gentleman took when he first became Minister of Finance, and when the condition of the road and the condition of our finances were fully before him.

As to the financial condition of the country, I would say to the Minister of Finance