

Mr. FOSTER. At Lévis.

Mr. JONES (Halifax). The hon. member for Kent (Mr. Campbell) has referred to the freight on flour. I do not object to the rate on flour, which, I suppose, is based on an estimate of what it can be carried at. What I desire to bring to notice is the general complaint in Halifax that the western millers have an advantage over our own importers in this respect, that they are allowed to keep their flour in the cars or at the depot for 30 days. The idea originated from the practice adopted in Boston. It was there intended to hold the flour for a certain time for exportation, and it was found necessary to give the sea board flour a longer time than the local importers, but that does not apply to Halifax at all. There is no export from Halifax, and it is not right that the millers of the west should be allowed to keep their flour 30 days at the depot, whereas the importers at Halifax have to move it in 48 hours. That practice should be put an end to.

Mr. KENNY. My hon. friend knows that this privilege is confined to those who send the flour abroad. A privilege is given to those who have the flour there to remove it within 48 hours, unless they export it, it may be to Lunenburg or to Liverpool. I am told that, as my hon. friend (Mr. Jones) says, the privilege is sometimes abused, but the object of the provision was to encourage the shipping of flour over the Intercolonial road.

Mr. JONES (Halifax). That may be correct, but the practice which applies in regard to an American port does not apply in regard to a shipment along our own coasts. I doubt if such a construction can properly be placed upon the regulation in regard to foreign shipment. Export means export out of this country.

Mr. KENNY. As far as the Intercolonial Railway is concerned, export means shipping by water.

Mr. JONES (Halifax). Export must refer to anything shipped out of the country, and in this respect the millers have been granted a privilege which I think should be discontinued.

Cape Breton Railway..... \$1,100,000

Mr. DAVIES (P.E.I.) Perhaps the Minister will let that stand. I believe the hon. member for Richmond (Mr. Flynn), who is not very well, desires to speak on that subject. He intended to speak before going into Committee of Supply, but he did not desire to delay the House.

Sir JOHN A. MACDONALD. Why can it not be discussed on Concurrence?

Mr. DAVIES (P.E.I.) That would not facilitate the matter. The hon. gentleman has some observations which he is very desirous to make, and it will not delay the Committee.

Sir JOHN A. MACDONALD. The hon. gentleman ought be here.

Mr. DAVIES (P.E.I.) He was here, and intended to speak before we went into Supply, but he was not very well.

Sir JOHN A. MACDONALD. If we are going to get through the Session this summer we will have to make a little more progress than we have to-day. With all deference to the hon. gentleman, I never saw, in all my experience, in any one day, such a waste of time as there has been to-day.

Sir RICHARD CARTWRIGHT. I must say, in reference to the hon. gentleman's remark, that I doubt if any single subject has come before the House for discussion for many a day which was more deserving of consideration and debate than the monstrous waste of money which has taken place

on the Intercolonial Railway. We have had, I believe, less satisfaction for the \$47,000,000 that we have spent upon that road than for our expenditure on any other work.

Sir JOHN A. MACDONALD. I am told that the hon. member for Richmond (Mr. Flynn) is out in the lobby. The fact is that he does not want to speak at this time of the night.

Mr. MILLS (Bothwell). I cannot see that the time has been wasted in this discussion. I think we were entitled, in regard to so serious a matter, to have had some plan or proposal of the Government placed before us to put an end to the extraordinary excess of expense over income on that road, but we have not had a word from the Government on that subject.

Sir JOHN A. MACDONALD. The reason has been given that the business has been increasing and the revenue decreasing. The tariff has been steadily year by year reduced for the great object of encouraging trade along that road, and especially inter-provincial trade. There has been a steady reduction of rates. How can we expect that it will be otherwise? It is true that the hon. member from Charlottetown (Mr. Davies) said we were criminally liable for carrying coal at these rates.

Mr. DAVIES (P.E.I.) I do not think I used the word "criminally."

Sir JOHN A. MACDONALD. He said it was a criminal waste of money to carry coal at three-tenths of a cent per ton. Another gentleman who sits on the same side says: It is true that coal is carried too low, and I think that the road should pay, but at the same time I think the rates on lumber are too high. Another says: I think the road ought to pay, but I think the rate on flour is too high. There is a continual pressure brought from all sides to keep down the rates of freight, and that is a reason why there is a steady increase of expenditure because there is more work done and it is not done at remunerative prices. We must have one policy or the other. We must either work that road as a commercial company would, and only consider what would pay; or we must consider it a portion of the great national highway connecting the Provinces, and built for the purpose of being the link between the Maritime Provinces and old Canada. We must either treat it as a work uniting the Provinces more closely and keep down the rates of freight, and make no profit upon it, or we must adopt the plan of a private company and put on rates such as would make the road as prosperous as possible.

Sir RICHARD CARTWRIGHT. Surely the Minister will see that there is a totally good and broad distinction between carrying goods at the bare cost price, which might be excusable under some circumstances, and favoring a particular industry belonging to particular private individuals, and conveying goods at a dead loss, as is the case in regard to this coal. In the latter case, you must charge more on other goods, and the whole contention to-day has been that, in conveying this coal as we now do, we are conveying it at a dead loss, and at a cost to the rest of the country which is a gross injustice.

Sir JOHN A. MACDONALD. There is no doubt that this is not a paying rate, but, as the junior member for Halifax (Mr. Kenny) has stated, it has been kept to that rate instead of being raised, because it was found that the railways from Pennsylvania to Massena were carrying coal at such a rate that, if our rate were raised, it would result in bringing in American coal, and would cut off the increasing trade between the Nova Scotia mines and Canada. It would simply transfer the coal trade from Nova Scotia to the Pennsylvania mines. As to the statement that it is unfair to encourage one industry specially, and that in this way the rates are raised on others, I must say that I do not