

line through an unsettled country, with its heavy grades, with its many disadvantages, and only expected to be operated at a time when you cannot have access to the sea shorter than to cross through the province, is going to be furnished with trains both local and through in almost embarrassing abundance.

Mr. CLARKE. What paper is that from ?

Hon. Mr. BLAIR. Well, I do not like to single out one paper more than another—

Hon. Mr. ROSS (Victoria, N.S.) What paper is it ?

Hon. Mr. BLAIR. Well, it is the Toronto 'Globe,' if you wish to know.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. But there is a final, and to my mind a conclusive answer to this whole proposition; one which was well within the power of the government, and one which was well known to all who were concerned in promoting this enterprise. In the course of the correspondence which I had with the Prime Minister, I called attention to the consideration I am now about to speak of; I did more, at an earlier stage when this question was first mooted I took occasion in the Railway Committee of the House to express the strongest and most decided objection to this enterprise being carried down through the center of New Brunswick to Moncton, and I stated there was no occasion for it, because, whatever traffic there would be brought over the Grand Trunk Pacific Railway to Quebec which was seeking an outlet by our Atlantic ports, there was a simple, and easy, and prudent method by which that object could be attained, and I was satisfied that there would be no difficulty whatever in arranging with the Grand Trunk Pacific Railway, if it came to that, the making of an agreement between the Intercolonial Railway and the Grand Trunk Pacific Railway for a simple exchange of traffic. It is possible and more than possible; it is probable and more than probable; it is absolutely certain that such a thing could be arranged. When this question was being discussed in the Railway Committee and when I was stating my objection to it, I took occasion to ask Mr. Hays, the manager of the Grand Trunk Railway, whether in his opinion there would be the slightest difficulty on his part or on the part of the Grand Trunk Pacific Railway Company in making a fair, and reasonable, and just arrangement with the Intercolonial Railway for the carriage of all traffic they might have to handle from Quebec to Halifax and St. John, and Mr. Hays's answer was: not the slightest difficulty in the world. Now, Sir, under that arrangement the traffic could be carried as advantageously for the Intercolonial Railway and as beneficially for all concerned; nay, more advantageously and more beneficially than it could be carried

by any new railway that could possibly be constructed or by any other means than that of the Intercolonial Railway itself. There is no manner of doubt at all, that the Intercolonial Railway with its present splendid equipment, and with its officers and every form of machinery adapted for the purpose, could transfer this freight down at rates lower than is possible under any other new system, I do not care what it may be. If the interests of the country required that this traffic should be carried at cost, why, Sir, infinitely better is it to take the sum which might be required for that purpose out of the exchequer of the country, than to load us up with \$15,000,000 or \$17,000,000 of debt in order to build another railway. If you wanted to enforce the idea of the utilization of the Canadian ports in the winter season as an outlet for western traffic, why not do it in that way by a subsidy, rather than by spending your money wholesale in a useless and unjustifiable manner. I believe, Sir, that an arrangement could be made without difficulty whereby a fair profit could be had perhaps, upon such business as did offer. I am not so sanguine about business to any extent offering in that way, but if it did offer the Intercolonial Railway would be able to take it. It would increase the tonnage of the Intercolonial Railway, increase its receipts, utilize its machinery which is available for the purpose and you would have no question of any responsibility in connection with such an outside undertaking as is now to be forced upon us by the policy of the government. I venture to say that that suggestion has not been made to the Grand Trunk Pacific Railway. I do not think it has ever been made to Mr. Hays other than as I made it in the Railway Committee of the House of Commons. I think that if it had been made to him he would have readily availed of it; he would have gladly accepted some such plan as that so as not to be compelled, under lease or otherwise, to operate this line of railway which is now projected. All that would be necessary to do would be to embody a clause in this Bill, or if you like you could come to an agreement before you committed the government irrevocably to the undertaking; you could have come to an agreement with the Grand Trunk Pacific Railway and have the matter settled finally and definitely for all time.

I think it would have been well—and this is all that I shall say on this branch of the subject—if the government were impressed as they appear to have been impressed with the possibility of operating a railway to advantage to carry western traffic to the ports of St. John and Halifax, it would have been well for the government to have come to such an arrangement as I have suggested rather than to decide on the proposition which is now before the House. My right hon. friend in the course of his speech told us that commercial considerations were not