

carried below cost, it was equally of advantage to the Province of Ontario and the west to have these large quantities of flour and grain carried at a loss. I do not, however, believe it is any real advantage to the Maritime Provinces or to Ontario either to have coal and flour carried at a loss. I can tell you, Mr. Chairman, and the hon. member for Halifax knows it as well as I, that a very large portion of the flour which comes from the Maritime Provinces comes by Boston now, and I cannot see what advantage it is to this country in any respect to have flour carried over the railway, if the people have to put their hands into their pockets and subscribe towards carrying it, when it can be carried over other roads just as cheaply or cheaper. The hon. gentleman said this was far better for Canada. I point out to the hon. gentleman that when flour goes by way of Boston, our own schooners are always either at Boston or ready to go there to bring that flour to the different parts of the Maritime Provinces; and I would point out to him that this gives profitable employment to shipping and the large number of men engaged in that industry. It seems to me that there is no good reason why the people of Canada should pay taxes to enable the Government to carry flour over the Intercolonial Railway below cost. In the same way with reference to grain, what possible advantage can it be to have grain carried over this railway below cost? The hon. gentleman has referred to the management of this railway. I listened in vain to hear from the Minister of Railways what the future policy of the Government was going to be in this matter. The only indication he gave us of any policy was that he intended to dismiss some two hundred officials. I do not understand what his policy is to be with reference to rates of freight, whether he intends to increase the freight rate or diminish it. I did not understand him to give us any information as to what saving he expected to effect by the removal of these two hundred officials, and it seems to me this House should be placed in possession of the intentions of the Government and its policy with reference to the management of this railway in the future. The hon. member for Halifax referred also to the proposed expenditure at Halifax for the purpose of increasing terminal facilities there; and in connection with that he referred to the difficulties under which the western part of Nova Scotia laboured in getting its freight into Halifax and the difficulty under which the Halifax merchants find themselves with reference to shipping freight from Halifax to the west, and to the fact that the Intercolonial Railway authorities had failed to keep the agreement, solemnly entered into some twenty years ago between the Government and the Windsor and Annapolis Railway, to give that railway the same facilities at Halifax as the Intercolonial Railway itself has. In that agreement the word "extension" was particularly referred to, and that agreement was entered into before the extension was made, under Mr. Mackenzie, from Richmond into the present station. An extension has been made to the wharves since then; and I have contended many times in this House that the Government should give to the Windsor and Annapolis Railway that which they had undertaken to give them. But the hon. member for Halifax says that the agreement never can be kept until these increased facilities are given. Well, if that be true, certainly there is

Mr. BORDEN.

additional argument in favour of giving these increased facilities to Halifax. But it seems to me that there could be no difficulty now in the way of giving this increased accommodation. This is what happens: A car load of freight coming in from the eastern part of Nova Scotia over the Intercolonial Railway is allowed to go in over this extension of the railway to the wharves for a charge of \$1 a car load, whereas a car load of freight going in from the western part of Nova Scotia is charged \$2.50. That may not be the case at this moment, but it was the case for many years. Well, I have always contended that if accommodation could be furnished at \$2.50, I could not see why it should not be furnished at \$1 to freight from the western as well as from the eastern. It is clear if they could admit a car over the extension at \$2.50, they could equally well do it at \$1. My hon. friend could not sit down without finding some fault with the administration of the late Mr. Mackenzie. He said that Government was to blame for the inadequate accommodation which now existed at the station at Halifax. Well, if they are to blame for the inadequate accommodation there, they deserve credit for at least what accommodation is there, because before that time, as the hon. gentleman knows, the terminus was at Richmond, out of sight altogether, and the accommodations there were wretched, simply disgraceful. I believe the Government of Mr. Mackenzie made every effort in their power at that time to extend the road far into the city; and finding it impossible to do so, they did the next best thing and fixed the terminus where it is at present. My hon. friend has referred to the fact that this railway has built up interprovincial trade. Well, surely we would expect some increase in trade, as a result, among these provinces, when, as everybody admits, and as the deficit shows, freight has been carried at an enormous loss. But I would point out to the hon. gentleman the fact that in the last annual report of the Department of Railways, the statement is made that the coal traffic over the Intercolonial Railway does not tend to expansion, there having been a decrease of about 20,000 tons each year since 1887, when the maximum quantity carried was 192,000 tons. I further call attention to the fact that there has been a decrease in the quantity of flour carried during the past year and a decrease in the quantity of lumber carried, and this report points out that in five years there has been a gradual decrease in the quantity of coal carried over the railway, so that, if interprovincial trade was stimulated for a time, the tide seems to have turned, and in many respects there must be less interprovincial trade than there was five years ago. The hon. gentleman referred to the increase in the passenger traffic. I would like to call the attention of the House to this passenger traffic. The total number of passengers carried last year over the railway was about one and a quarter millions. The gross earnings of the road last year amounted to about \$3,000,000. I find that the earnings from the passenger traffic would represent about 33 per cent of the total earnings, say \$900,000, which would give an average received for each passenger of 75 cents per head. Now, when you come to consider that we have 1,100 or 1,200 miles of railways, that the distance from Point Lévis to Halifax is 670 miles, and from Halifax to St. John nearly 300