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Hon. Sir RICHARD CARTWRIGHT—They were precious slow about it. There was no appreciable increase until after 1896. From that time forward there has been a very rapid improvement and increase in population, but unless my memory is wholly at fault, the total number of homesteads taken up in all the Northwest in the year before we came into office was something less than 1,200, while the total number of homesteads taken up annually since 1896, after we got fairly into the saddle, has been rising to something like 30,000 a year. However, that is a detail.

My hon, friend was good enough to allude to the case of the Intercolonial Railway. That railway is a sore spot and a sore subject. Both governments have tried their hands at it without any unqualified success. I am myself very much of the opinion that the Intercolonial under any government-I do not care whether it is of good government or bad-will always be run at a much greater expense than if it was managed by private owners. I am also of the opinion that the rates obtainable by a government will be very much less than those obtainable by a company, as the facts show, and I shall be glad of any suggestions from my hon. friend or his friends behind him as to how the Intercolonial Railway could be put on a better footing. It is engaging our earnest attention, and I hope something will be done, but after 35 years experience of it, I think it will be admitted that it is an exceedingly tough proposition. It was badly engineered, badly laid out in the first place, and the difficulties in the way of doing anything with it are great though they may be overcome.

My hon. friend made a very strong point indeed of the expenditure incurred on the Transcontinental Railway. He stated, and with perfect accuracy—I am not disposed to find fault with his statements there—that the total expenditure on this road to the public will very greatly exceed the estimated cost. With respect to that there are one or two things to be said per contra. One is that the road is being constructed on an extremely high standard, a most unusually high standard for a road of that magnitude, and going through a country of that kind. In the next place—and this bears on the question I was alluding to be-

fore-there has been, since that road was undertaken, a very great appreciation in the cost of labour and material, and calculations which might have been very fairly made then would prove quite erroneous to-day. But wholly and entirely apart from that, there are, as probably many hon. gentlemen in this House know, two op posite schools of railway engineers who propose to build railways on totally different principles. There is one school, and there is a great deal to be said under certain circumstances for their contention, who say that the best way you can build a railroad is to get it through anyhow, under almost any conditions as to grades. curvitures or anything else, and finish up at your leisure—that that is the cheapest way to build it, and the only way you can build it on reasonable terms. There is also, as gentlemen in this House know, an opposite view, and those who say that under certain conditions and where it is probable you will have to deal at once with a large amount of traffic, that the only way to construct a railroad is to build it in a firstclass way, first-class as to grades and curves and all the rest of it. I need hardly point out to the House that the difference in the initial expense between these two systems is necessarily enormous. The latter system has been pursued in the case of the Transcontinental Railway. The difference is so great, as. I was told on one occasion-I am not pledging myself to the details, I am giving the evidence laid before me-that whereas on a road constructed in the first fashion you might have difficulty in dragging a train loaded with two or three hundred tons in ordinary cases, on the other road, properly constructed, with one of the engines now in use it is quite feasible that you should haul a train load conveying something like two thousand tons. It will be perfectly evident to everybody that accordingly as you build your road, on the first plan, or as you build it on the second plan, there must be an enormous difference in the cost. As to the value of it to the country, I have something else to say. Practically speaking, if we assume my hon. friend's estimate -which I am not prepared to absolutely concur in-but assuming his estimate to be correct, and that the Transcontinental

Hon. Mr. FERGUSON.