

maritime provinces, and make it an interchange as between Ontario and Quebec on the one side and the maritime provinces on the other? In that effort the people of the maritime provinces, and of Ontario and Quebec as well have enjoyed the benefit of low rates. It is easy to see that if you had the traffic at the rates which have prevailed upon the Grand Trunk railway and the Canadian Pacific railway, the Intercolonial railway, instead of showing deficits would have shown surpluses every year, and the surpluses during recent years would have been so large that there would have been no question whatever as to the interest on the expenditure. Those who hold that the Intercolonial railway should be made a surplus-producer, a revenue-earner for the Dominion forget also the conditions which prevail in Canada with respect to the canal system and other great systems of transportation. We have about \$90,000,000 of the money of the people of Canada invested in the canals, about an equal sum to that invested in the Intercolonial railway. The Canadian Pacific railway has also cost the people of Canada immense sums. I know that the estimates as to this cost differ, and that the conclusion you reach depends upon the value placed upon certain properties that were handed over to the Canadian Pacific Railway Company. But the Canadian Pacific railway has cost the people of Canada at least \$220,000,000, and yet the people of Canada do not own a spike in that great railway system. But the \$90,000,000 that the Intercolonial has cost is an investment of the people of Canada, and that railway is the biggest and best asset that Canada to-day possesses. The canals also are the property of the people. There is the difference—while so much money has been spent in the Canadian Pacific railway, that property is owned by shareholders, many of them foreigners and non-residents who have no interest in Canada except in the dividends they get out of their investment and who naturally favour the imposition of rates as high as they can exact from those who patronize that railway.

Now, it becomes a matter of deep interest what the minister proposes to do in connection with the operation of the Intercolonial railway, and I think we are entitled to a declaration from him as to the course he will pursue. Especially we are entitled to a declaration with respect to the branch lines. I notice by the order paper that it is proposed to take out of the consolidated revenue fund some \$35,000,000 in aid of the construction of railways to be owned and operated by private corporations. Canada can expend millions on the Hudson Bay railway; Canada can take into consideration the deepening and enlarging of the Welland canal; Canada can take into consi-

deration the construction of the Georgian Bay canal. These prospects do not frighten members of this House or the people of this country. But when you talk about the extension of the Intercolonial railway by the absorption of branch lines, when you talk of improving the facilities of the Intercolonial railway, then there is a murmur of alarm about expenditure. My hon. friend (Mr. Cochrane) has in contemplation, judging by his statements in this House, the connecting of the Intercolonial and the Prince Edward Island railway by means of a car-ferry service. I assume that in that connection he will necessarily absorb branch lines of railways, one branch at least if not more, in order to complete that connection. I approve of the course he proposes to take in that matter. Let him not be alarmed as to the expenditure. The people of eastern Canada, and, I am sure, the people of western Canada, will not be alarmed. The only expressions of alarm that may be heard will be within the walls of this chamber, for I am confident that the people of Ontario or the people of the west will not oppose such expenditure. These people are interested just as much as are the people of Prince Edward Island and of the maritime provinces, because they desire a market for their manufactured products. They desire to expand their trade with the fishermen and lumbermen of eastern Canada who desire to furnish to the manufacturers of Canada the best market they can find. Therefore, it would be to the advantage and benefit of the west as well as the east. Therefore, it seems to me we are entitled to a declaration from the minister much more complete than any he has heretofore given with respect to the proposition to establish a car ferry service, the extent of that service, and the time when it is to be put into execution. These are fair questions, and I am sure the people are waiting a declaration from the minister in that regard.

Then there are other rumours which we constantly see in the press respecting the future of the Intercolonial railway. I observe in one or more newspapers recently that it is contemplated to have steamship service between Canadian ports connecting with the Intercolonial railway and ports in Great Britain. I know not what truth there is in those rumours. But the reasons given for that action are apparently good reasons. It is said that by the establishment of such a service there would be diverted to the government system of railways a traffic of which it has heretofore been deprived by the private corporations. The Canadian Pacific railway has its line of steamships, the Allan Line works in co-operation with the Canadian Pacific railway, and to a small extent with the Intercolonial railway. Naturally, by reason of