

with the transcontinental lines and bringing the traffic of the West down to the port of St. John and also to St. Croix and L'Etang in the near future, by a line more than one hundred miles shorter than any now in existence. My hon. friend asserted here this afternoon that he had never seen the specifications of this road.

Mr. CARVELL: I did not say that; I said plans and profiles.

Mr. McLEOD: I think my hon. friend said he never saw the specifications. If he says he did not, I will accept his word, but hon. members of the House know what he said.

Mr. CARVELL: I was referring to the plans and profiles.

Mr. McLEOD: The hon. gentleman said 'specifications.'

Mr. CARVELL: I may have used the word, but what I had in mind was the plans and profiles.

Mr. McLEOD: I shall not undertake to place my word unsupported before this House in regard to the quality of the road. My hon. friend from Carleton did venture to place before the House his unsupported testimony as to the grades and curves of this road. I might say there is on that St. John Valley railway a maximum grade of one per cent in very few instances. When estimates came before the Government from Mr. Taylor, the Dominion Government engineer, and from Mr. Maxwell, the provincial Government engineer, not one dollar was paid to that company until the monthly progress estimates were in, and even then we did not pay them the whole of the progress estimates, but all the time, at least when I was a member of the provincial Government and I believe since, we paid them only five-sevenths of the money actually expended on the road. And, notwithstanding that my hon. friend has said, that neither Mr. Gould nor his company has put one dollar into that road, the fact is that we have only paid five-sevenths of what the Dominion and provincial Governments' engineers stated had been actually put in the road. The only exception is that we did pay them the actual cost of the steel rails and steel bridges. Thus, at this moment, so far as the 117 miles now under construction and practically completed is concerned, we have paid only five-sevenths of that money.

Mr. CARVELL: Was that inclusive or exclusive of the Dominion subsidy?

[Mr. McLeod.]

Mr. McLEOD: Exclusive. I stand here on my responsibility as a member of this House, knowing what I am talking about—some gentlemen do not—and I say we paid them five-sevenths only except that we paid them the actual value of the steel rails and the steel bridges.

Mr. CARVELL: And they got the Dominion subsidy besides that.

Mr. McLEOD: They got the Dominion subsidy when they established to the satisfaction of the department here that they had earned it, and not until then.

Mr. CARVELL: My case is pretty nearly made out.

Mr. McLEOD: Not at all. Then we reached the point where we had guaranteed the bonds; we had authorized by the legislation of 1910 in the province of New Brunswick, the issue of bonds not for \$25,000 a mile, but for \$35,000 a mile. We were to guarantee \$25,000 a mile; but my hon. friend, if he is fair, will admit that in 1910 times were buoyant; money was easily borrowed in the money markets of the world, and everybody knew that it would be very easy to finance \$10,000 of second mortgage bonds of the St. John valley railway. F. J. Lisbon & Company, of the city of New York, concerning whom we had the very finest reports, guaranteed to us that they would finance the second mortgage bonds. But there came in this country, as there comes at times in every country, a period of money stringency, and second mortgage bonds unguaranteed could not be given away. Then came that time when we handed over, as my hon. friend says, \$2,000,000 more to the boodling gang. What should we have done? We had guaranteed \$25,000 a mile; we were receiving \$6,400 a mile in Dominion subsidies, and we were face to face, not with a railway the cost of which exceeded the estimates, but a railway lacking completion because we had not money to provide the amount of the estimate of \$42,000 or \$43,000 a mile made by our engineers. Should we let the matter stand, or should we see the project through? The men who ruled the destinies of the province of New Brunswick decided that there was only one thing to do. Here was the road to which they had contributed \$25,000 a mile; for which they had a subsidy for \$6,400 a mile. Let my hon. friend note this: the National Transcontinental railway was built, as he says, at a 4/10 per cent grade. My hon. friend did not mention that they had