

Grand Trunk Pacific to operate the road upon its completion by the contractors. But the Grand Trunk Pacific have not responded; they have as yet refused to operate the road—and I shall come in a moment to why they refused, or as to the alleged causes of their refusal. But the Government, in the face of the inconvenience suffered by those settlers, small in proportion to the vast territory of country over which they may be distributed, found that to operate even the 270 miles of road which would bring them in contact with the other great systems of railway in Canada would cost no less than \$12,000 a month for a bi-weekly service. Consequently, notwithstanding the enormous expense to which the country is now subjected, for the purpose of meeting the convenience of this small group of settlers, we are paying no less than \$12,000 a month to operate 270 miles of road with a bi-weekly service in order that we may give convenience to those settlers. Yet my hon. friend from Mille Iles and gentlemen on the opposite side of the House are attacking the Government because they are not spending an infinitely greater amount to operate not only that particular section, but in fact the whole length of the road, which I venture to say would cost millions of dollars to operate.

Hon. Mr. CASGRAIN—Where are the 270 miles that they are operating?

Hon. Mr. LOUGHEED—They are operating between Amos and Cochrane, and Cochrane and Hearst. Between Cochrane and Hearst the distance is 129 miles, and between Hearst and Amos 141 miles; and this will place those settlers, who I am informed are the only settlers entitled to serious consideration that are settled along that line, in contact with the other systems of railway in Canada so that they may have access to the various markets of the Dominion. Now I ask hon. gentlemen seriously if the Government of Canada would have been justified in entering upon such an expenditure as would be involved in operating that entire system? If 270 miles of road with settlers located along that length of road will cost the Government of Canada \$12,000 a month for a bi-weekly service, how much, I ask, would it cost to operate its entire system the greater part of which is not settled at all? I qualify that last statement in this way, that the Minister of Railways himself

Hon. Mr. LOUGHEED.

made a personal investigation into the other portions of the road, and he found that in addition to the settlers to whom I have already referred there are a few industries which have become to a certain extent developed—industries capitalized at a fair amount, and evidencing signs of prosperity. He made the proposition to those various industries that the Government would be only too glad to place them within communication of the markets of Canada provided they paid the cost thereof without any profit whatever to the Government, that is to say, the actual cost of operating a train service for the purpose of meeting their requirements. The Government was quite prepared to give to them all the advantages that they needed for the carrying out of whatever business they were in.

Hon. Mr. CASGRAIN—Do you know at what point?

Hon. Mr. WATSON—What is the revenue now?

Hon. Mr. LOUGHEED—The revenue of what?

Hon. Mr. WATSON.—You said \$12,000.

Hon. Mr. LOUGHEED.—There is no revenue whatever. The contractors who are operating the bi-weekly service from Hearst to Amos receive from the Government of Canada \$12,000 a month for that bi-weekly service, and anything else they can make out of it; and they have already pointed out to the Government that there is no revenue. This, I submit to hon. gentlemen, will cover both the conditions that have been spoken of. It is well enough for hon. gentlemen to point out the great possibilities of this road. I am not at this particular point going into a discussion at all of this contract, of the National Transcontinental railway. That subject may come up in the future, and if it should come up in the future it is very desirable that the Senate of Canada should be in possession of all the facts attending the discussion of such a subject. The Senate of Canada should not enter lightly upon a discussion of so large and important a transaction, involving such an enormous expenditure and invested with all the possibilities of this particular undertaking. Therefore it seems to me it would reflect very much greater credit upon the Senate that we should reserve the discussion of such a subject until we are in a position to intelligently deal with the undertaking.