

first with Moncton, and then the officer in charge of the department at Moncton had to communicate with Ottawa. Hon. members in this House, many of whom are practical business men, will recognize that in these days of keen competition such a system cannot be conducted satisfactorily or successfully; and I would respectfully suggest to the Minister of Railways that the business management of the Intercolonial Railway should be placed in the hands of competent officers at Moncton, which is the centre of the Intercolonial Railway system. At all events, it is worth while making the experiment, for we must all admit that hitherto the management of the Intercolonial Railway has not been a success. I am afraid, as regards economy, that very much cannot be accomplished by dismissing a few mechanics at different points scattered over the railway. The hon. Minister has announced his intention of reducing the staff by about 200, largely, I understand, from the mechanical department. I think it would be in the interest of the railway—and I know that the hon. Minister is very anxious to make his department a success—that he should personally examine into the administration of the mechanical branch of the Intercolonial Railway. If he does, I think he will discover that perhaps that department requires remodelling; in that department a little more energy and ability thrown into it will result advantageously to the railway; and that if that is done, perhaps it might not be necessary for him to dismiss so many mechanics, who are working industriously for a dollar and a half or two dollars as he now thinks it necessary to do. I realize the difficulties which surround the administration of a railway the head office of which is at such a distance as the Department of Railways is from the Intercolonial Railway; but I do believe that the Intercolonial has to a very great extent fulfilled the mission for which it was built, of binding the provinces of Canada together and of developing our interprovincial trade.

Mr. BORDEN. I agree with some of the things which the hon. gentleman has said, and I am compelled to disagree with some others. He has referred to the fact that the Intercolonial Railway was constructed with a view of binding together the various provinces of this Dominion, and not for commercial purposes; and he has reminded our friends from Ontario on this side of the House—and I think he might with equal force have reminded his friends from Ontario on that side—that while the Intercolonial Railway has cost between forty and fifty millions of money, the canal system of this country has cost more. At the same time, I do not agree that we should place one work against the other, and justify on that account an extravagant or improvident or reckless management of the Intercolonial Railway. I do not think that the people of the Maritime Provinces will thank my hon. friend for presenting an argument of that kind to this House. The canal system must stand upon its own merits and be criticised on its own merits; and the management of the Intercolonial Railway must stand on its merits or demerits and be criticised by itself. I do not approve of the policy of setting off one of these great public works against the other except this far, that our friends from Ontario must recognize the fact that it was not

expected when this road was constructed that it would be a profitable enterprise, and it was built to some extent at the suggestion of the mother country and in order to fulfil the agreement entered into between the provinces at the time of Confederation. Now, while I do not think that at the present time it would be possible to manage the Intercolonial Railway in such a way as to show a profit from its operation, I do believe, having given some careful study to the subject, that the annual deficit from the working of that road could be very largely reduced, and possibly within a few years made to disappear altogether. The hon. member for Halifax (Mr. Kenny) has referred to some difficulties which stand in the way of the success of the Intercolonial as a commercial undertaking. He pointed to the fact that on one side of it we have the Atlantic as a rival, with the shipping along the St. Lawrence, and on the other side a great rival in the Canadian Pacific Railway; and he used the illustration, more or less fortunate perhaps, that the Intercolonial was between the devil and the deep sea. He indicated the deep sea, which is the Atlantic, and there can be no doubt as to whom he intended to designate as the devil. Now, I must remind my hon. friend that he is one of those who has had a hand in calling up this evil spirit which is interfering with the success of our railway. I must remind him that the Government which he supports so loyally was the Government which insisted on subsidizing to the extent of millions of the money of this country, a line of railway through a foreign country which was to cut the throat of our own Intercolonial Railway system. He has referred to the fact that a great deal of the freight passing from this country, which should go over our own railway and be shipped at Halifax, now goes to Portland, which he said was a great detriment to Halifax. But I must point out to my hon. friend that the only portion of the system proposed as the short line between Montreal and Halifax which would have been of any special advantage to Halifax, was just the portion which has not been built, namely, that portion through New Brunswick meeting the Intercolonial at or near Moncton—a piece of road which if built would have brought to the Intercolonial Railway at Moncton or Salisbury a large amount of profitable traffic. It seemed as if at one time my hon. friend was going to approach that great and interesting topic known as the winter port and fast line question, which has been discussed so many times in Halifax. I do not propose to introduce it here further than to remind the hon. gentleman that before he can expect to make Halifax what it was promised it should be before the Short Line was constructed, we must have a railway by the shortest possible distance between Montreal and Halifax, and have from Halifax a line of steamers sailing between Nova Scotia and Great Britain. Now, my hon. friend referred to the fact that it had been charged against the management of the Intercolonial Railway that a great deal of money was lost in carrying coal below cost from Nova Scotia to Montreal, and he said, while that might be true, on the other hand—and I agree with him in this—there was a large amount of freight coming from the upper provinces over the railway, such as flour and grain, and if the coal were being carried at a loss, so was the flour and grain, so that if it were an advantage to certain portions of the Maritime Provinces to have the coal