

HON. MR. POWER—No; it was built after Confederation by the Province.

HON. MR. HOWLAN—Then take the Province of New Brunswick, where they had the following railways built since Confederation:—

	Miles.
Albert Railway.....	51
Buctouche and Moncton.....	32
Prince Edward.....	35
Elgin, Petitcodiac and Havelock.....	26
St. Martin's and Upham.....	14
Kent Northern.....	30
Grand Central.....	40
Harvey Branch.....	16
Caraquet and Bathurst.....	60
Northern and Western.....	95
Derby Branch.....	14
Grand Southern.....	65
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And what is the consequence of the construction of all these branch lines of railway? The consequence is, towns are being built up, factories are being established and population is increasing, but we are told that we in Prince Edward Island should not ask for anything. Now I come to the question put by the leader of the Government. My offer to the Government was made upon the responsibility of Mr. Vernon Smith, C.E., representing Mr. Greathead, the eminent engineering authority on subways in England. When I came to show the Government the cost of the railway and boat service, the loss to the railway and the loss by the boats, some \$214,000, I was told at once that that was no proof that the building of this subway would assist the railroad of Prince Edward Island to earn money—in other words, not to lose money; and I said in answer to that: “If that is the case—if you believe that the railway will not earn its running expenses—we will take the railway over from you and operate it ourselves.” It is absurd to say that this subway will cost \$25,000,000. I am surprised that the leader of the Government should suggest any such sum as being the cost of it. The offer I made to the Government was this:

“OTTAWA, 10th March, 1886.

“To the Right Hon. Sir JOHN MACDONALD,
“K.C.B., Premier of Canada.

“DEAR SIR,—Referring to our several interviews respecting the construction of a subway across the Northumberland Straits, between Capes Traverse and Tormentine, I beg to submit for the consideration of the Government the following propositions:—

“1. The Government is expending annually at Prince Edward Island over two hundred thousand dollars, *i. e.*—

“The loss annually on railways.

“The cost and maintenance of “Northern Light.”

“The subsidy to summer steamers, and

“The expense of running the ice boats at the Capes.

“This sum cannot, in my opinion, be decreased, however much it may be increased, as the present state of the winter and summer connection is neither satisfactory to the travelling public nor to the people of the Island.

“2. With a view to make the Prince Edward Island Railway and subway remunerative it will be necessary to build several branches, which have been prayed for by the people from time to time, and which, in my opinion, are necessary, *viz.*:

“From O'Leary station to the Western shore.

“From County Line station to New London and Rustico.

“From Charlottetown to Belfast and Murray Harbor.

“From Souris to East Point.

“Those branches run through some of the most fertile and prosperous parts of the Island, as well as tap the carrying trade from the fisheries of the North and South sides.

“3. I am prepared to form a company to build these branches and take the railway off the hands of the Government, complete the subway across the Straits, and work the whole system, finding ample security therefor, to the satisfaction of the Government, on a tariff subject to the approval of the Governor in Council, thus affording efficient steam service for the conveyance of mails and passengers daily, winter and summer, between the Island and the Dominion, and also placing it in continuous communication with the Intercolonial Railway and the railway system of the Dominion.”

4. The Government shall deed to the said company the railway and equipment with a right of way to said subway.

“That all materials for its construction shall come in free of duty, and the Government shall pay or cause to be paid to the said company, in half yearly payments, the yearly sum of two hundred and fifty thousand dollars. Without being in a position to speak for the Government of Prince Edward Island, I may state that in my opinion such an arrangement as I have above proposed would, if not altogether acceptable, go a long way towards a final settlement of the difficulties now existing between the Government of Prince Edward Island and the Dominion of Canada.

“All of which is respectfully submitted.

“Your obedient servant,

“GEORGE W. HOWLAN.”

HON. MR. ABBOTT—The offer I refer to was the offer made by my hon. friend himself on the 10th of March, 1886, in which the condition was that all material for construction should come in free of duty, &c., and the Government should pay or caused to be paid so much towards operating the railway.

HON. MR. HOWLAN—That is the offer I have just read. Now, with regard to the cost of building this tunnel, it is folly to compare it with the Mont Cenis or St. Gotthard tunnels, which were hewed out of solid rock, entirely different works