Mr. BENNETT: This item raises the question we discussed in this chamber last year, namely the expenditure at Wood islands and at Pictou of \$150,000, involving an entirely new ferry for a distance which renders it impossible to create any more rapid transit between the two sections. Would the minister give the committee some explanation of what has been done and what is contemplated.

Mr. CARDIN: A contract was awarded some days ago for that work at Wood islands.

Mr. BENNETT: Were tenders called?

Mr. CARDIN: A contract was awarded to the Dominion Construction Corporation Limited, of Toronto. Several tenders came in, and that was the lowest.

Mr. BENNETT: How much?

Mr. CARDIN: There were tenders also by J. P. Porter and Sons, Montreal, and T. C. Gorman Construction Company Limited, Montreal. The amount of the contract is \$254,143. That is the amount of the lowest tender. It is certain that we cannot spend that whole amount of money this year.

Mr. BENNETT: How much was spent last year?

Mr. CARDIN: Nothing was spent last year except upon the preparation of the plan and the survey.

Mr. BENNETT: It might be well to have on record just where are Wood islands. I just want to follow this up, this ferry from Wood islands to Pictou.

Mr. CARDIN: It is on the eastern end of Prince Edward Island.

Mr. BENNETT: The eastern coast of Prince Edward Island. How far north of Charlottetown?

Mr. CARDIN: Wood islands are situate at the southernmost point of Queens county, on the Northumberland strait coast of Prince Edward Island. The strait has a width of about twelve miles. The establishment of this ferry service will enable the government to dispense with the subsidies now given to the steamship service on the Charlottetown-Pictou route and also the service between Sydney and Bras d'Or ports and the west coast of Cape Breton and Prince Edward Island.

Some hon. MEMBERS: Carried.

Mr. BENNETT: No, not by a long shot. I suppose that here is one of the finest managed bits of work which has been before this

committee for a long time. Hon. members will perhaps remember the discussion last year. There is just as much necessity for this as there is for a fifth wheel to a coach, but because I dared to mention it a gentleman rose in his place and denounced me for being opposed to money being spent in Prince Edward Island. The minister knows perfectly well why this is being done. He might tell the committee. What hon, member asked for this?

Mr. CARDIN: It is to provide a shorter ferry service between Prince Edward Island and Nova Scotia.

Mr. LAPOINTE (Quebec East): And do away with certain subsidies.

Mr. BENNETT: Oh, yes, I heard that. I happen also to know the story of the subsidies, of the \$30,000 grant given to a firm located in Montreal who bought an old ship, and the government endeavoured to reduce the grant to \$25,000 in the main estimates and increased it to \$30,000 in the supplementaries. The application for the same subsidy will be there when the new route is established. At the present time the ship runs from Pictou to Charlottetown. It leaves in the afternoon and it arrives in the afternoon. Who is to carry on the service between Wood islands and Pictou without a subsidy? Perhaps the minister will say.

Mr. EULER: Perhaps I might be permitted to intervene, because the Department of Trade and Commerce is concerned in this particular subsidy. The purpose of having the improvements made here is to shorten the distance between the mainland and Nova Scotia and Prince Edward Island to something like twelve to fifteen miles. The present connection between the mainland and Prince Edward Island is from Pictou to Charlottetown, a distance, I think, of something like fifty miles, taking a considerable time to traverse. On that route, as the leader of the opposition knows, there is and has been for some time a subsidy of \$30,000 a year. At one time it was reduced to \$25,000; at another time it was \$30,000. Now the purpose of transferring-because it is going to be transferred—the subsidy that is now being given, for the service between Pictou and Charlottetown, because the longer distance is to be discontinued, is to give the subsidy for a ferry which is to run between Caribou and Wood islands, a distance of some fifteen miles. The sole purpose, as I understand it, is to shorten the distance between Prince Edward Island and Nova Scotia.