

PROPOSITION A QUANDARY OVER CENTRAL RAILWAY

Will Not Vote For or Against Hill Resolution to Lease the Road

Member for Charlotte Afraid That Province Cannot Run the Line as Efficiently as Private Parties—Dr. Pugsley Takes Strong Stand Against the Proposal, and Declares That it is Worth More Than the Offer—Government Bill to Amend Education Act Provides for Free Text Books and With Schools That Are Closed Over Two Terms.

Fredericton, March 13.—The house met at 3 o'clock. Hon. Mr. Tweedie, from the committee on law practice and procedure submitted a report recommending bill 33 to amend the N. B. Pharmacy act, and bill 18 relating to the property of married women to the favorable consideration of the house and against the passage of bill 30 relating to civil engineers' act.

The following bills were introduced by Mr. O'Byrne: To amend the Hibernian fund and grant mill tax. Hon. Mr. LaBelle: To amend the Restigouche Boom Company Incorporation act; Mr. Burns: To amend the act relating to assessing for lighting purposes in Bathurst; Mr. Robertson: To amend the act permitting railways to run over certain St. John streets.

Hon. Mr. Jones introduced a bill in addition to and in amendment of the school act, which he explained section by section.

Section 1—Provides for including the cost of free text books and other necessary supplies in the district assessment.

Section 2—That five acres of land in each of one acre may be attached to consolidated schools.

Section 3—That vaccination certificates for pupils shall be hereafter looked after by the board of health and not by the teacher.

Section 4—That after a grammar school has existed for ten years the board of education may withdraw the grant thereon and transfer it to some other school in the same county.

Section 5—Children of residents of a county may be educated in the grammar school from grade IX up. The lowest limit now is grade VIII.

Section 6—To empower the teacher to reserve order and protect the pupils from interference and annoyance by outsiders.

Section 7—To empower the board of education to strike from the list of districts any school district that has neglected for two successive terms to maintain a school in operation or has failed to make provision for the conveyance of the children to the school of a neighboring district as by law provided, and annex by order thereof to a contiguous district or districts.

Hon. Mr. Jones introduced a bill relating to the provincial hospital which amends the regulations made by commissioners under authority of the legislation of last session.

The house in committee on a bill relating to the town of Chatham struck out the sections empowering the town to assess the personal property of any incorporated company within its borders, it being understood that the government will introduce a general act dealing with this matter.

Bill relating to the property of a married woman deserted by her husband and to amend the N. B. Pharmacy act were agreed to with slight amendments.

Motion to Lease Central Railway The order of the day being called Hon. Mr. Hill moved the following resolution: Whereas, the premier and the province have informed the house that an offer has been submitted to the government to lease the railway known as the N. B. Coal & Railway, and that the offer is for a yearly rental of \$2,000 per annum, less to be for 999 years, and that satisfactory guarantee would be given for payment of the rent and keeping the railway and rolling stock in repair, and the repairs and improvements now being made on the road to be completed and the contract fully carried out.

Therefore resolved, that in the opinion of this house it is desirable and in the interests of the province that said offer should be accepted upon sufficient guarantee for the running of the road and keeping it in good order and repairs by the lessee being given to the satisfaction of the government.

Mr. Hill said: "In offering this resolution it is not necessary that I should make any lengthy remarks. The question to be decided is a simple one. The province has an asset or piece of property, known as the N. B. Coal & Railway property. This it can sell or lease or operate as a government work. The government has an offer from private parties to lease this road on terms which amount to a sale. If this is accepted they propose to pay to the province the sum of \$2,000 a year for 999 years.

The question to be decided is a business one. Is it in the interests of the province to accept the offer or to operate the railway as a government work?

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Mr. Hill's resolution provided for guarantee to the government's satisfaction.

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that the road would be efficiently operated and kept in a perfect state of repair.

Wouldn't Accept the Offer. I do not care for whom Greenhields & Greenhields are acting but as a member of this house I say it would not be a business proposition to accept their offer.

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Mr. Robertson: "I would like to feel that I could conscientiously support the resolution but I fear that I will be unable to do so. I have great faith in the government and believe that the government will fully justify in making an offer for the road but one could easily say for his remarks that if the C. P. R. wanted the line he would not let them have it at the present figure. If it was the Canadian Northern which has railway property in Nova Scotia and will connect its lines there with its lines in Quebec to form a part of its great transcontinental system from ocean to ocean. If it was this company that made the offer the member for St. John would accept it and even were the Grand Trunk Pacific itself he would take the \$2,000. But surely he must assume that the Province of New Brunswick is not going to carry the road away with them but will operate it in the joint interests of leasees and the province.

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WILL KEEP INTERCOLONIAL RAILWAY AND MAKE IT PAY

Mr. Emerson Deals Exhaustively With the Problem in Parliament

Declares That Deficits Are a Thing of the Past—Promises to Reorganize the Service, Raise the Rates and Run the Line Free from Politics—Says "The Government, as at Present Constituted, Has No Intention of Parting" With the Road—Quotes Figures to Show That \$5,000,000 More Has Been Spent on Canals Than on the Government Line.

Ottawa, March 12.—(Special)—The Hon. H. R. Emerson, minister of railways, in the house of commons this afternoon, on motion to go into supply made his railway statement. His defence of the position of the Intercolonial Railway both as a factor of confederation and as a necessary means of transportation was extended one hour.

His emphatic statement that the Canadian government intended to continue operating the I. C. R., and that the road was to be made a paying proposition was received with applause. He went fully into the causes which contributed to making the I. C. R. a non-paying concern and declared that he would have none of such political commissions as was at the head of the Temiskaming Railway.

When Mr. Emerson rose to address the house the leader of the opposition did not object to the minister proceeding, but he complained that the report of the department was not distributed and therefore it would not be possible to discuss the subject so well as they otherwise would have done.

Sir Wilfrid Laurier admitted that the proceeding was somewhat unusual for going on so early in the session with important business of the kind. The opposition, of course could arrange as to the reply.

Speaks of Deficits. Mr. Emerson, proceeding to the subject of the deficits of the railway, declared that he was desirous of something more than a mere skeleton. Indeed it was his intention to deal with the I. C. R. from an historical standpoint and from the future prospects of the road. In the first place he pointed out that the revenue of the road in 1904 was \$8,292,221 and in 1905 \$6,783,582. The working expenses for 1904 were \$7,239,982 and for 1905 \$5,808,226, in each instance showing a large deficit.

It was a lamentable fact that there was in 1905 so large a deficit. The difference of the deficits of 1905 and 1904 was accounted for in a number of items in the cost of operation. In the maintenance of the way department there was a difference of \$27,105. In the maintenance of equipment department there was a difference of \$266,434.

The cost of operation in 1905 exceeded that of 1904 by \$387,884. At this point Mr. Emerson quoted from the annual report of the deputy minister of railways showing the severity of the winter last year contributed heavily to the deficit of the road. Mr. Butler estimated the cost of the snow blockade, including everything amounting to \$318,000. The deficit of the road in 1904 was \$1,506,639 and in 1905 \$1,506,639. The total amount expended on canals was \$83,302,074. The total amount reached \$84,200,000.

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Various reasons had been assigned for the deficit in the I. C. R. The minister divided his reasons into three heads.

The first was the long haul. This was done for political, imperial and military causes. It was admitted by the fathers of confederation as being necessary in the interests of a united dominion. The second was water competition. At every point the I. C. R. was subject to competition by water. The third was low rates. This was the principal cause. The second and third were the principal causes.

Mr. Emerson said that the I. C. R. was the Canadian pack horse used in this connection. The short line across Maine to St. John, which received an annual subsidy of \$186,000 had to be contended with by the I. C. R.

(Continued on page 6, 8th column.)

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