

which I almost gathered from his remark a moment ago, I will sit down because my task is done. I have convinced him; no! My right hon. friend does not give me that cordial acquiescence which convinces me that my task is done, and therefore I will have to continue for a few minutes longer, but I am in strong hopes that before I sit down my right hon. friend will come to the conclusion that after all if the country has to BUILD, it might as well OWN the western division.

An important Liberal organ in the Province of Nova Scotia, the *Halifax Chronicle*, has taken very strong ground in favor of the extension of the Intercolonial Railway, and I venture to quote its opinion for two reasons, first, because it is the most influential Liberal organ in Nova Scotia, and second, because it is published in my own city and my own constituency. It is as follows:

The mooted extension of the Intercolonial to Parry Sound which is being viewed with increasing favor in the upper provinces, is a project of great importance to the Maritime Provinces, to the people's railway, and to the port of Halifax. The great majority of the commercial men of Halifax we believe are warmly in favor of the proposed extension because it will bring our national railway into connection with the grain-producing districts of the west and help tap other sources of traffic which will not only be valuable to the Intercolonial in the way of furnishing paying freight but will bring a large share of the traffic of the west to the ports of the Maritime Provinces for shipment to Europe.

Now, the extension of the Intercolonial Railway westward would give such facility for all-Canadian transport, and control of rates as cannot possibly be accomplished by any other means. There is no doubt about that. The Government does not pretend that it has any control over the rates on this proposed railway other than that which applies to all railways in the country; nor does it seriously pretend that it can under these agreements control the direction of the traffic. A railway extended to the Pacific coast owned by the Government would give the most effective control of rates. But if there is any doubt in view of the considerations which I have already urged upon the Government, why should there be any doubt when we reflect that the Government is practically assuming all the risk of the construction of this railway? The Grand Trunk Railway Company has most ingeniously arranged a scheme by which it will obtain all the benefit, all the advantage, all the profit from the proposed enterprise while it incurs none or very little of the obligations and liabilities incidental thereto. It has accomplished this by the creation of a subsidiary, I might say a fictitious, company. That company alone contracts and at the same time is absolutely controlled by the Grand Trunk Railway Company, which is free. Thus the Government incurs liabilities or obligations to the extent of from \$150,000,000