

causing a loss of revenue from traffic. The cost is set down by the railway officials as \$264,716.14, which would be an increase of over \$134,000, compared with the preceding years. This, however, but faintly represents even the direct cost entailed by the winter storms, covering, as it does, merely the actual work of removal of the material. To this has to be added the concurrent cost of a snow blockade extending for over two months, throughout which, on some divisions, there was practically an absolute stoppage of all traffic, and the boats between the mainland and Prince Edward Island stopped running from the latter part of January until March, causing great congestion of cars. From details furnished me, I compute that, including wages of men actually engaged in shovelling snow and picking ice, the proportion of ordinary pay-rolls during the blockade, detention time, maintenance of equipment, water supply, wrecking train service, meals for passengers, and for the snow shovellers and others, and lastly, the heavy resulting adverse car mileage balance, the total direct cost was not less than \$518,000 over the normal. Even, when, in March, there was a cessation of snow fall, the quantity of accumulated freight entailed extra cost in the endeavour to clear it.

Mr. HAGGART. Is the \$134,000 included in that \$518,000?

Mr. EMMERSON. No. The \$134,000 was in the operating expenses. These are direct expenditures incidental to the snow blockade. Mr. Butler's report goes on:

By way of assistance to the farmers in the eastern part of Nova Scotia and in Prince Edward Island, who were suffering from a deficiency in the hay crops, due to the exceptional dryness of the summer of 1904, the Intercolonial, under authority of an order in council, carried, free of charge, hay to the extent of 36,609 tons for their use; the assistance was given by way of refund of freight charges to the extent of \$125,855.46.

Mr. HAGGART. Can an order in council do that?

Mr. EMMERSON. My hon. friend need not be surprised. The same thing was done before in respect to the carriage of coal. The report continues:

Though no revenue was derived from this service, the ordinary cost entailed on the railway was very considerable, over 3,000 cars being engaged in the work, and this cost was increased by the fact that the hay-laden cars arrived at the time of the snow blockade, when no boats were running to Prince Edward Island, the railway yards were congested, and a large number of cars were stalled for months. I estimate the cost to the railway as at least \$140,000. This, of course, in no way affects the principle of aiding, a distressed population, through the gratuitous service of a government road, but it is only fair, in reviewing the financial side of the question, to see that while crediting to national generosity the cost involved, the railway's aggregate expenditure, in which it must be merged, is not debited, to that amount, at all events, with extravagant administration.

Mr. BRODER. In regard to the carriage of hay, did the railway discriminate between people who were able to pay and those who were not as well off, or was it done generally?

Mr. EMMERSON. This aid was given by order in council, which provided that the municipalities could purchase the hay for distribution among the needy at the actual cost of the hay to the municipalities, and we would carry the hay free for those municipalities. The order in council, a copy of which was laid on the table at the last session of parliament, contains the terms and conditions of that hay transportation. It followed a precedent which was established some years ago in connection with the coal famine in Ontario and Quebec, when, by a similar order in council it was provided that coal from the Nova Scotia coal mines would be transported over the Intercolonial, the freight thereon being refunded to the municipalities bringing the coal from the east.

Now, Sir, I am very frank to admit that the deficit of last year was sufficient to appal the public mind of Canada with respect to the Intercolonial; but I have no apologies to make regarding that deficit. The conditions which prevailed and the management of the road, are the same as they have been for the last quarter of a century. There were the same officials, the same manager, the same deputy—the same men practically operated the road—the same district superintendents, the same train despatchers, and their operation of the road during the year 1905 showed these results. I am bound to say that this deficit—which I frankly and candidly admit was a very large one—has excited very severe comment in the press of Canada. Not merely in the distant west, not merely in middle west, but in the east as well; and no one deplored the large amount of that deficit more than myself. But, Sir, I think it is due to this House and country to call attention to the special reasons and causes which led to that deficit; and I think, Sir, that I have the right to claim, not merely at the hands of this House but the press of this country, a little fair-play in the discussion of that deficit. I know there was a cry went abroad from one end of Canada to the other. True it is a far cry from Victoria and Vancouver, but we heard it, and we heard it echoed and re-echoed across the continent, and it was only drowned when it reached the distant shores of the Atlantic where the waves roll in from Ireland against the shores of Cape Breton. Let me refer to some of those who uttered that cry, the unfairness of which certainly does not do credit to those who sent it forth. The deficit for the fiscal year 1905 was made the subject of much comment in the newspaper press of this country and of a great deal of misrepresentation by newspapers opposed to the government and sometimes