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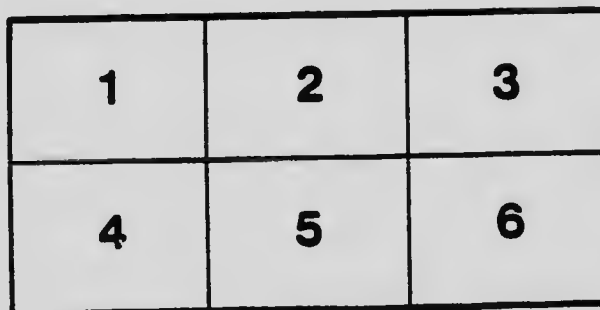
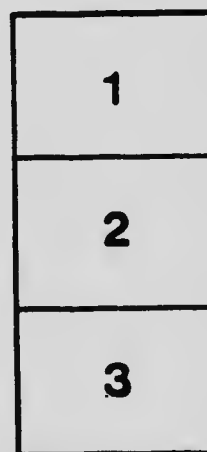
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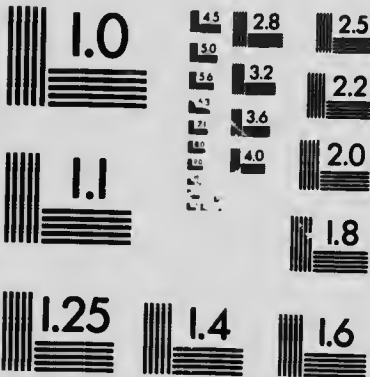
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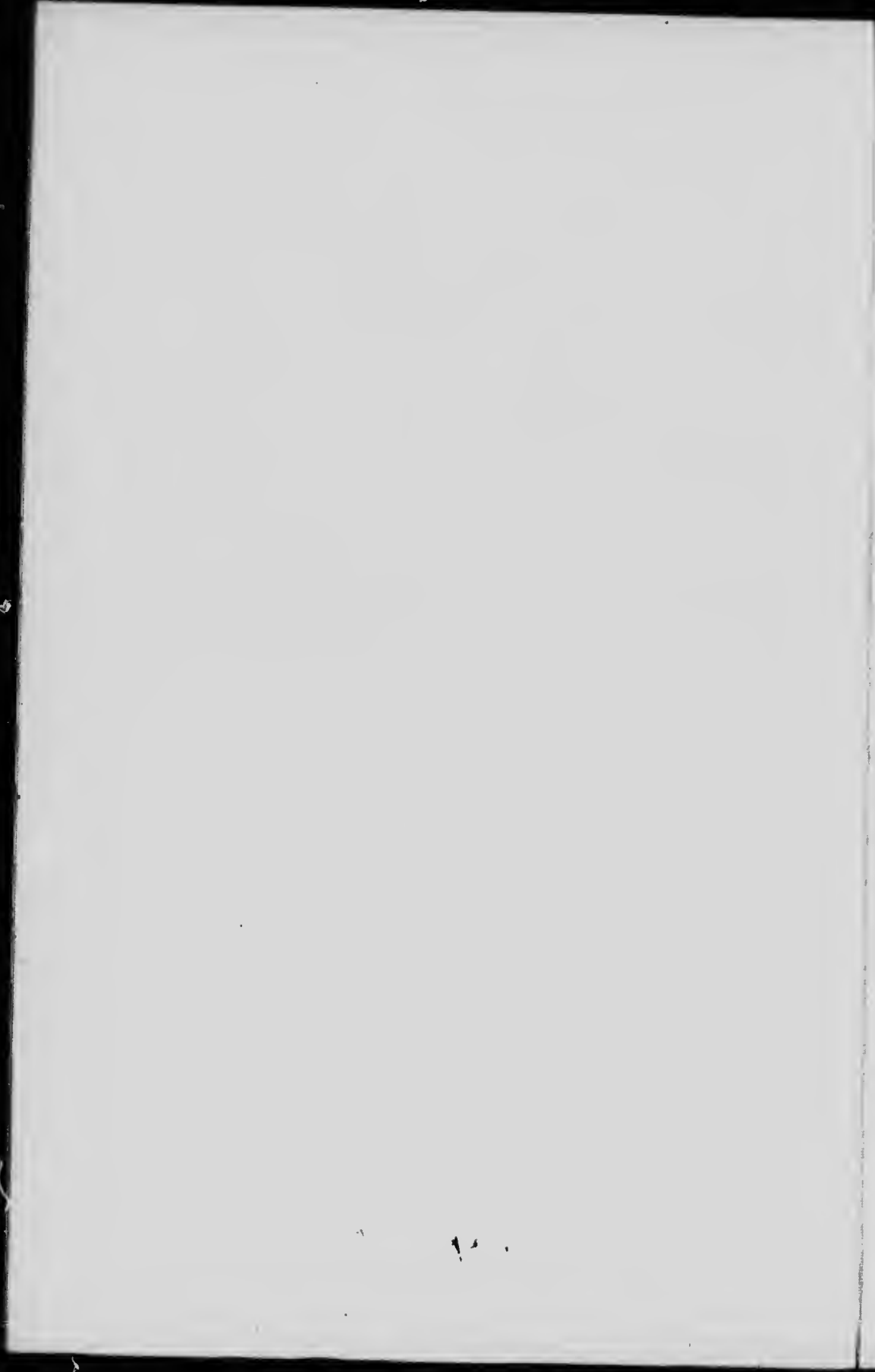
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SPEECH ON
GUYSBORO RAILROAD

—BY—

MR. JAMES C. TORY, M. P. P.

OF GUYSBORO, N. S.



HOUSE OF ASSEMBLY HALIFAX, N. S.

MARCH 31ST AND APRIL 1ST, 1913.

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MR. J. C. TORY.

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SPEECH ON GUYSBORO RAILWAY.

HOUSE OF ASSEMBLY 1913.

RAILWAY RESOLUTION.

MR. TORY said: Mr. Speaker, on a previous date I gave notice that I would move the following resolution in respect to railways:

"Resolver" that in the opinion of this House, the action of the Federal Government in respect to proposed railway construction in the Counties of Guysboro, Pictou and Victoria, for which money had been voted by the Parliament of Canada, and in cancelling the contract entered into for the construction of a branch railway in the County of Guysboro, was unfair to Nova Scotia in its efforts to deal effectively with the transportation problem of the Province, and an unwarranted and unjust discrimination against those portions of the Province that had waited so long for railway facilities."

I desire to make a few observations in connection with the matter which I hope will at least make clear to those not familiar with the circumstances just what has happened. I have waited for practically two years in order to be able to determine definitely the position and the facts as far as it was possible to obtain them in order to be absolutely sure as to what the purpose and intent of the Federal Government was in relation to this matter. I desired, further, to be fair to that Government and to give them sufficient time to determine upon their course of action in order that it might be definitely known what conclusion they had reached. It will be remembered that in the Address to this House last year some reference was made to the Guysboro railroad, and I thought at the time that it held out some hope to the people of that County and other Counties interested, because evidently at that time the conclusion had not been definitely reached by this Government that there was to be any breach of faith in connection with it. I observed, however, when the Address was presented this year, that the matter was not referred to at all, and I concluded from this that this Government had reached a definite conclusion in regard thereto.

In connection with the statement that I propose to make today, I de-

sire to say that I wish to be fair to the Federal Government and I also wish to give a proper place to the opinions of others, but it is my object to get the facts as they appear to me before this House and the country for judgment. I do not know that I shall get support from hon. gentlemen opposite but this will appear later. If they are as patriotic as I think at least some of them are, I will get some support from them.

In considering this matter it is necessary, in my judgment, to review the railway history of Nova Scotia, and I propose to do this for two reasons. First, because it would be difficult otherwise to give a proper setting to the trend of events, and second, because it is necessary to refute some rather remarkable statements which have been made, both in the press and members of the House, in regard to railway construction in Nova Scotia.

PERIODS OF RAILWAY CONSTRUCTION IN NOVA SCOTIA.

The railway history of Nova Scotia may be divided into five different periods. The first, for the purpose of division, is the pre-confederation period from 1855 to 1867. The whole history of railway construction in Nova Scotia prior to Confederation is embraced in that period. From the study that I have given to this subject I understand that the whole project of railway development in this Province before Confederation was sketched out by the Hon. Joseph Howe, who proposed to construct railways on Government account throughout Nova Scotia. His plan included a road running east and west, and a road running north and south, covering the whole of the Province with certain branch lines. He undertook and was going on with that work at the time of Confederation. At that time he had already built 143 miles of railway at a cost to the Government of \$7,106,381.29. In order that hon. members may understand why it was that the policy of Mr. Howe should differ from the policy subsequently adopted by later Governments, I may say that the revenue of this Province in the year 1858, ten years prior to Confederation was, in round figures, \$900,000. In

the year 1866, the year before Confederation, the revenue of the Province had advanced, in round numbers, to \$1,800,000. Of that revenue about 70 per cent, or \$1,235,000 was collected through indirect taxation. At this period we were not limited as to scope of taxation, we had a steadily developing revenue, and a large borrowing power on the part of the Government. I have heard the statement made repeatedly, both in the press and on the public platform, that the Government should have done as Mr. Howe proposed to have done, namely, borrowed millions of dollars for the construction of roads on Government account, regardless of the changed Provincial conditions. The result of Mr. Howe's effort was the construction of 143 miles of railway touching four of the eighteen counties of the Province, and that was the situation as to railroads in this Province when we entered Confederation.

The next period is what might be called the Early Liberal period, from 1868 to 1878. Now what was the situation? 143 miles of railway had been constructed, the total revenue had gone down from \$1,800,000 to \$586,000, by the terms of Confederation the right of direct taxation had been taken away, and they had in its place only \$324,685.60 of subsidy, with \$82,690, additional per year for ten years extra. The Government in 1868 faced the problem of railway construction with a revenue of \$586,696.25, and only 143 miles of railway built. That being the fact, the question was, what was to be the future policy with respect to railway construction. It was evidently decided, and properly so, that it was impossible under the circumstances to enter further upon the construction of railways as Government built roads. Under the terms of Confederation there was this proviso which took some of the burden off the Provincial Government. It was part of the agreement, under section 145 of the B. N. A. Act, that a railroad should be built from Halifax to the St. Lawrence River, which involved the extension of the road from Truro to Amherst. Therefore that part of the problem was solved. Taking the conditions into consideration, I marvel at the courage of the Government of the day, and the amount of railway construction undertaken within the next ten years. Four hundred and thirteen miles of railway construction was undertaken in the first ten years after Confederation,

with a revenue such as I have spoken of. During this ten years the revenue had increased slightly, but not to any great extent. Out of that 413 miles of railway, only 78 miles were built under the terms of Confederation, the balance 335 miles, being built by companies aided by the Provincial Government. The following sections were undertaken in this period: Windsor to Annapolis; Digby to Yarmouth; Truro to Amherst; Springhill to Parrsboro; Middleton to Lunenburg; and New Glasgow to Mulgrave; passing through the Counties of Yarmouth, Digby, Annapolis, Lunenburg, Cumberland, Pictou, Antigonish, and just touching the County of Guysboro. That mileage of road has cost the country over one million dollars, including that expended on the Eastern Extension, which cost the Government more than it was intended to cost on account, I understand, of failure of contractors.

MR. MARGESON: Do I understand the hon. gentleman to say that the road from Middleton to Lunenburg was built prior to 1878?

MR. TORY: I am taking the dates when construction was begun on these roads. The road from Middleton to Lunenburg was not finished until 1889 although it was begun in 1875. Of course the amount of money mentioned was the ultimate cost of these roads to the Province, but some of the expenditure on them would naturally be carried forward into other periods.

The next period was the Holmes-Thompson regime, between 1878 and 1882. During that period not a mile of road was undertaken either by the Provincial or the Federal Government. It was a blank chapter in the history of railroading in Nova Scotia. I do not blame the men for it. Some reason for this blank period may be found in the fact that the revenue was so small. Not only was there no new work initiated in this period, but the revenue had steadily gone down from \$775,275, in 1878 to \$527,000 in 1881, the lowest point the revenue had touched since Confederation. The construction of some roads previously undertaken was carried on, but no new work begun.

That brings us to the fourth period, that from 1882 to 1896, when Mr. Fielding had charge of the affairs of this Province. In 1882 when Mr. Fielding came to deal with the question of not only railroads, but roads, bridges, and all other public services, he had a revenue of only \$541,000,

with no power of direct taxation. Only \$541,000 with which to face the situation and get for the people of the different counties railway facilities where there were none, bridges, where the bridges had tumbled down, and roads, where the roads were very bad. These are the facts that we have to consider in order to form a judgment on the problem which confronted these men at this time. I have been amused at the talk I often hear about the things we ought to do. Will anyone suggest how these things are to be accomplished without money? Here they stood with only \$541,000 of revenue to face all the problems that had to be met at the time. They faced them, and when the history of Nova Scotia is written we will be able to appreciate the financial ability of Mr. Fielding, both as pertaining to the finances of Nova Scotia and to the finances of the Dominion of Canada. Only a man of unusual courage would have proceeded with railway construction under such circumstances. During this period the Dominion Government did assist somewhat, I would give them credit for what they did in aiding railway construction in Nova Scotia. They built four sections of road. The section of 86 miles from Oxford Jct to Stellarton; the section from Sydney to Point Tupper, 96 miles, (although there were circumstances in connection with that section which perhaps would not give them as much credit as appears on the surface); then there was a section of 20 miles from Annapolis to Digby, the so-called "Missing Link;" and in 1894 they built a short section from Windsor Junction to Dartmouth in the county of Halifax. In other words the Dominion Government undertook the construction of 216 miles of railroad during the period of the Fielding administration, while during the same period the Provincial Government subsidized companies to build 159 miles, at a cost to the Province of \$368,688, and towards which Federal subsidies amounting to \$373,248 were given. This closes the chapter of the Fielding administration and it was a good chapter in the history of railway construction in the Province, when we consider the limited revenue and all the other difficulties incident to the period.

Now we come to the fifth and last period in the history of railway construction, that from 1896 to the present time, and I regard this as

the great period of railroad construction in the Province. Prior to this period the Province had been saddled with a considerable amount of debt on account of the roads constructed which offset somewhat the increasing revenue. When Mr. Fielding started in the development of his railway policy, the revenue of the Province, as has already been stated, was only \$541,000. In 1896 it had increased to \$841,000, so that when we came to the period under consideration we had a considerably larger revenue but to offset this there was an indebtedness incurred on accounts of roads, bridges and railways. Now Mr. Murray faced the situation as it was at that time. Following out the same policy which had never been changed from the time of Confederation down to the present day, he sought to secure the construction of railways by means of companies, which was the proper method under the circumstances. I have read the statement made by a member of this House that the Liberal Government had never built a mile of railway. It is true that the policy of this Government had been to secure the building of railways by companies, but the companies were aided, encouraged and promoted by the Provincial Administration. In this period there was built by companies under Provincial aid, and with aid from the Federal Treasury, 415 miles of road, involving an outlay of \$5,159,374, on the part of the Province, and an outlay of \$2,359,374.75 as Federal subsidies. There was no Federal construction except the railways undertaken in the Province which brought about the discussion today. These additional roads which were provided for had a mileage amounting to 213 miles, which when completed would make a total of 628 miles for the period. The approximate cost of the projected roads would be \$6,611,000. This is a summary so to speak, of the history of railway construction in the Province of Nova Scotia since Confederation, and brings us to the net result as shown by the table following:

I have taken the trouble to ascertain the railway mileage in each County, the number of square miles of area embraced in each County, and the number of miles of railway

in proportion to area, and it is remarkable how nearly equal the railway mileage is to the square mileage for each of the Counties except the last two:

County	Miles of Ry.	Area sq. miles	Area for each mile Ry.
Halifax (including 71 miles not finished)	162	2,123	13 sq. m.
Cumberland	149	1,683	11 "
Annapolis	122	1,323	10 1/2 "
Cape Breton	115	966	8 1/2 "
Pictou	108	1,124	10 "
Lunenburg	105	1,202	11 "
Colchester	90	1,451	16 "
Imperness	89	1,403	15 1/2 "
Shelburne	85	920	10 1/2 "
Hants	85	1,229	14 1/2 "
Kings	59	864	14 1/2 "
Digby	55	1,000	18 "
Queens	54	1,102	20 "
Yarmouth	50	858	17 "
Antigonish	43	556	13 "
Richmond	36	489	13 1/2 "
Victoria	10	1,111	111 "
Guyshoro	7	1,656	236 "
		1424	21,427

In the case of Victoria it will be observed that there are ten miles of railway which skirt a corner of the County. The County contains 1,111 square miles, and has one mile of railway for each 111 square miles. Guyshoro is the last, with the greatest disparity emphasised by these facts. There are seven miles of railroad, and if you look at the map you will find that the railway merely skirts the County, while two other railways have their noses practically resting on the County lines. Guyshoro has but one mile of railway for every 236 square miles of area. I wish to reiterate that practically every County in the Province has been provided with railway facilities almost on an equality save these two Counties. The problem of railway construction in the Province has been practically solved apart from these two sections. I challenge investigation of this problem of railways.

The Province of Nova Scotia has had constructed during these periods

1,424 miles of railway altogether, with a present gross debt of \$5,927,491.86, against this we have first mortgages amounting to \$4,599,064.35, leaving a net cost of all that railway development in Nova Scotia \$1,328,427.51.

I venture the statement that there has not been a more successful development in the matter of railroad construction on the continent of America than that accomplished right here. When you consider the conditions under which we have labored it is a result of which every hon. gentleman in this House has good reason to be justly proud. But more than that, I have just this morning received a bulletin from the statistical Department of the United States, and I find that in the whole United States they have 2.6 miles of railroad for every 1,000 population, while in Nova Scotia we have 2.9 miles for the same number of persons. I think that covers the ground sufficiently as far as railroad construction in the Province of Nova Scotia is concerned.

HISTORY OF EFFORTS IN CONNECTION WITH THE HALIFAX AND GUYSBORO RAILWAY.

I now turn to consider the history of the efforts in connection with the Counties we are dealing with, and particularly with regard to Guyshoro. I do this for the reason that a great deal of unjust criticism and misunderstanding has arisen in regard thereto. I will not take up the thread of the history farther back than at a point where I conceive it to have become a serious issue. I presume very few railroads have been constructed that did not have some unnecessary preliminary surveys, which in the end, however, led to the serious consideration of the problem. I propose to deal with the question from the point where it became a serious issue. That takes us to 1898 when the Dominion and Eastern Railway Company was formed in New Glasgow, with which there was connected Mr. Harvey Graham, and others of the Nova Scotia Steel Company. They had authority to build a line from a point at or near New Glasgow to Country Harbor and Guyshoro. In the same year there was incorporated the Musquodoboit

Railway Company, having power among others to construct a road from Dartmouth to Deans Settlement. These two companies made preliminary surveys, but nothing came of them. They had been granted, under the terms of an agreement with the Government, the usual subsidy under the Act of 1886, of \$3,200 per mile. In 1901 a new company was organized and incorporated by this Parliament called the Nova Scotia Eastern Railway Company. In 1902 that company merged with the Dominion and Eastern Company under the name of the Nova Scotia and Eastern Railway Company. The chief promoters of this company were Mr. M. H. Fitzpatrick, formerly a Conservative M. P. P., for Pictou; Dr. H. H. MacKay, of New Glasgow, and several others. The most generous terms by way of subsidy ever given to any company in Nova Scotia were given in this case. On the 4th of February, 1903, a contract was made with this company, by which after certain negotiations, they agreed to accept a subsidy of \$5,000 per mile. They had also obtained from the Dominion Government a contract by which they were to receive \$3,200 per mile provided the railway did not cost more than \$15,000 per mile. The engineer of the company who had gone over the route, reported that it would cost in the vicinity of \$20,000 per mile, in which case the Dominion Government had agreed to give an additional \$2,500 per mile. This would bring the total subsidy from both Governments to \$10,700 per mile. The Municipalities of Halifax, Guysboro and Pictou had voted free right of way. Under the contract of this company it was agreed to file a plan of the route of the whole line, and a location plan and profile of one of the sections, before Dec. 31st, 1903, and immediately on approval of same to commence work, and to complete and put in operation the whole line by Dec. 31st, 1906. To retain their contracts they built a small piece of road, and without fear of successful denial I will say, that there have been more mis-statements made about that piece of road than about any piece of railway in the Dominion of Canada. It has been charged time and again that that work was done by the Government for the purpose of influencing an election, whereas everyone knows that it was built by Mr. Fitzpatrick in the endeavor to hold his charter while he was attempting to finance his com-

pany. Mr. Fitzpatrick went to London to secure funds for the construction of the road. He worked on this project, I believe, with as great fidelity and energy as any man in Nova Scotia ever did on a similar undertaking. As a matter of fact, it was understood that it was his untiring efforts to secure funds for the building of the road which caused his death, and that this occurred just when he had reached the point where success was in sight. His secretary, Mr. Coffee, who was sent over to complete negotiations also died, and as a result the project was not carried out. That ended the chapter as far as this effort to construct the road was concerned.

SIR MONTAGU ALLAN AND ASSOCIATES.

The next company that took up the matter was one that promised most hopeful results. In 1906 the construction of the roads comprised in the contract with the Nova Scotia Eastern Railway Co., was taken up by men connected with the Acadia Coal Company and other coal interests in Pictou County, represented by Sir Montagu Allan, and Mr. C. J. Coll. A company was organized, known as the Halifax and Eastern Railway Company. In the same year special legislation was brought down by the Provincial Government, empowering the Government to enter into contract with this new company, and with the right to grant a loan not to exceed \$12,000 per mile, the new company to have practically the same privileges as were extended to the Halifax and Southwestern Railway Company. Now anyone who knew the Allans of Montreal, and who knew their position in the financial world would have said that here at last, in Sir Montagu Allan was a man, the most capable in the whole country to carry out this project. Here was a man who would have a personal interest in the road, and I wish to state here that anyone who would say that Sir Montagu Allan would lend himself to political trickery would state what is absolutely absurd. In connection with this project, the Hon. Mr. Drysdale, then Attorney General of the Province, put it happily in bringing down the Bill to give these men their charter. He said:

"The Government believed that in dealing with the men who owned the Acadia and other coal

fields in Pictou, they were dealing with very reputable and responsible men, and with a company who would have behind this road the capacity to make it pay. If there was a future for our coal to the south of us by shipment from Atlantic ports, then these two branches to Halifax and Country Harbor would certainly be important roads, and the coal shipments over them would surely enable the company to pay interest on the money borrowed from the Government. He believed we were dealing with the people who had the ability and opportunity to make it a paying road."

I need not go much further than to say that a great deal has been said about some remarks that were made by the Premier of the Province in connection with this road. I have looked into the facts and I have not been able to see anything in them to reflect discredit upon either the Government or the Premier. Mr. Murray was dealing with men who were interested in building the road, and who had gone to much trouble in connection therewith. I have said that the Government had agreed to grant this company the sum of \$12,000 per mile in the form of a loan. The sum of \$6,400 was to have been granted by the Federal Government, and the balance of the money raised in the usual manner. In the year 1907 we had the beginning of the great financial panic. When arrangements were just about completed the financial stringency so affected the market that that together with trouble in connection with the mines, made it impracticable for Sir Montagu Allan to finance the road, and again both the Government and the people were disappointed. I believe, however, had it not been for the Halifax end, which made the financial difficulty greater, that is, had the project been confined to the road from New Glasgow to Country Harbor and Guysboro, this part of the road would have been built. But, notwithstanding that the amount of subsidy granted by the Provincial Government as a loan, and the Dominion Government as a subsidy, would have amounted in all to \$3,882,400.00 the project was not carried out.

MR. J. B. BARTRAM AND ASSOCIATES.

In 1908 the Government entered into negotiations with Mr. J. B.

Bartram of Toronto, and others, for the construction of this road. In the same year a tentative arrangement was made by Mr. Bartram with the Federal Government and with the Provincial Government, with regard to subsidy. This tentative arrangement formed the basis upon which Mr. Bartram sought to interest capital with a view to carrying out his project. In 1910 Mr. Bartram and his associates had apparently so far succeeded in the matter as to warrant the Government in making definite arrangements with them. A charter was granted by Order-in-Council on the 13th of June, 1910, and a contract entered into with the company on June 27th, 1910, granting them a subsidy of \$6,400 per mile. An arrangement, I understand, was made with the Dominion Government by which they were granted a like subsidy of \$6,400 per mile, making in all \$12,800 per mile, or on the 211 miles which were proposed to be built, a total subsidy of \$2,700,800. The Municipalities of Halifax and Guysboro, and I think, of Pictou, gave a free right of way. The company deposited with the Government the sum of \$50,000 required by the contract. At the end of 1910 Mr. Bartram came to this Government and said that he required other terms before he could go on with the road.

This is a brief history of the efforts made in the way of assisting companies to construct these roads. I do not believe that anybody can truthfully say that both on the part of the companies interested and on the part of the Government the utmost good faith did not prevail. If so, it is a most serious reflection upon a great many good Conservatives in the Province of Nova Scotia and elsewhere who were connected with these undertakings.

CHANGED FINANCIAL CONDITIONS AT OTTAWA.

In the meantime three things had happened. In the first place there had been a remarkable change in conditions in federal politics, a remarkable development had taken place in certain directions, and I cite this because it has a direct bearing upon this problem of railway construction here and elsewhere in the Dominion. There had been brought about an enormous increase in the revenues of Canada. In 1886 the revenue of Canada was, in round numbers, thirty-three

million dollars; ten years later in 1895 it was still thirty-three million dollars, trade and revenue were stagnant, but there was an election in 1896, new men came into authority, business conditions began to improve and revenue to increase, so that five years later, in 1900, the revenue had increased to fifty-one millions, in 1905, to seventy-one millions, and in 1910, to one hundred and one million dollars. These were vital facts, and I am recording them in passing because they affected the situation in Nova Scotia.

NEW CONCEPTION OF RAILWAY ADMINISTRATION.

Another thing had happened, a new conception had grown up with regard to railway administration in Canada. Men were beginning to question whether it was wise that a trunk line should run through Nova Scotia, and into the centre of Canada without any branches, they began to ask whether this was carrying out the spirit of the terms of confederation, and whether it was not working to the decided disadvantage of the Maritime Provinces, and particularly Nova Scotia. There had developed considerable feeling over the question. People saw that in Ontario and Quebec where there had been separate branch roads it became necessary to absorb these into the larger lines. They saw the Canadian Pacific, the Grand Trunk, and the Canadian Northern reaching out their tentacles everywhere to absorb freight, and they began to ask if it were possible to expect that men would put money into short branch lines to feed the Intercolonial trunk line. The conception of the people on the question of railways had changed in Nova Scotia when they saw railway development retarded because of this policy. They saw where separate branch lines had been failures in a great many instances in New Brunswick, and that branch lines could not be built in Nova Scotia because of the fact that they were bound to be nothing more or less than feeders to a great trunk line.

DEBATE IN THE FEDERAL HOUSE ON BRANCH LINES.

This new idea not only took hold of the people, but also of the representatives of the people, and the third thing was that a debate started in the House of Commons in 1908 with regard to this whole matter. It was a

strong debate, and it is interesting to observe some of the arguments used at that time. It was largely a question between the East and the West, the Maritime Provinces and Quebec versus Ontario and the West. In regard to this I may say, that the greatest difficulties this Province has had in connection with political problems have been brought about largely by the Province of Ontario. It opposed the expenditure on the Intercolonial although it had received the largest benefits of confederation. It would take everything from Nova Scotia and give nothing in return. Mr. Emmerson moved a very adroit resolution, evidently intended to draw the teeth of Ontario in connection with this extension of the Intercolonial railway.

"RESOLVED, that in the opinion of this House it is desirable in furtherance of the transportation interests of this Dominion that the sphere of influence of the Intercolonial Railway, as a Government operated railway, should be widened and extended, by securing by lease or otherwise, such of the branch lines of railway now connecting with the Intercolonial, as will serve as direct and profitable feeders to the traffic of the said railway, and by providing for the extension of the Government operation of said railway to industrial centres of Western Canada, and to a point on the Great Lakes of Canada, either by the construction of an extension to the same to such points, or by securing such running rights over existing lines thereto, as will enable the Intercolonial Railway to extend its transportation facilities westwardly, with a view of stimulating and promoting internal and interprovincial traffic, and facilitating the import and export trade of the Dominion, through Canadian channels."

Although there has been spent in the Province of Ontario approximately \$100,000,000 on canals, still in order to placate that Province he moved a resolution that would project the road into Ontario as well as deal with the Maritime Provinces. That resolution was debated at some length. In the following year, 1909, another resolution was moved by Mr. Emmerson, and barring the fact that it did not have in it the part referring to extension westward, was the same as that of

the previous year, and reads as follows:

"RESOLVED, that in the opinion of this House it is desirable in furtherance of the transportation interest of this Dominion, that the sphere of influence of the Intercolonial Railway as a Government operated railway should be widened and extended by securing by lease or otherwise such of the branch lines of railway now connecting the Intercolonial as will serve as direct and profitable feeders to the traffic of said railway".

This resolution dealt chiefly with the question of leasing and purchasing branch lines. It was also debated ably, and at considerable length.

In 1910 the debate on branch lines was narrowed down to certain specific instances in the Province of Nova Scotia, on the following resolution moved Dec. 12th, 1910 by Mr. McKenzie:

"RESOLVED that in the opinion of this House, the time has arrived in the commercial and industrial development of the Province of Nova Scotia, when the Intercolonial Railway of Canada, should be extended into the non-railway counties of the eastern section of that Province."

POSITION TAKEN BY MARITIME LIBERALS IN BRANCH LINES DEBATE.

This last resolution, as I have already said, brought the issues practically down to the non-railway counties of Nova Scotia. It was ably debated by Maritime members, and in order to understand the position taken by the Liberal members of the Maritime Provinces, I propose to place on record a few extracts from the various speeches made. Mr. Emmerson, speaking to the first resolution, said:

"I do not, however, maintain my argument in favor of the passage of the resolution which I will move upon the ground that it is simply for the aid of these particular communities. I think I shall be able to show that it will be of advantage to the Intercolonial itself, and that it will not entail any burden on the taxpayer of Canada. As I have stated, if the Intercolonial were owned by a private corporation, they would absorb every branch railway along the line of the Intercolon-

ial, perhaps every one of the lines which I have mentioned in the statement which I have placed before the House."

I will now give a sample of the argument used by Mr. Sinclair of Guysboro, in connection with the 1900 debate.

"It has been up in this House on various occasions, I suppose, ever since Confederation, and it will come up again until it is settled and settled right. It is of course satisfactory too that all the discussions we have had of late years on this question have not been fruitless. The Government have taken one step, and a very important step, in deciding to lease certain branch lines along the line of the Intercolonial railway. In this resolution we are asking the Government to go a step farther and construct branch lines in those sections of the country where no railways have been built. Every member of this House is well aware that the construction of the Intercolonial Railway was one of the conditions of Confederation. Without the Intercolonial railway there would be no Dominion of Canada. The Maritime Provinces would not have come into the Confederation unless they were assured of its construction."

This statement of Mr. Sinclair's is so clear and explicit as not to require any comment.

The next gentleman I will quote is Mr. Carvell of New Brunswick, speaking to the resolution of 1910, he said:

"In Ontario and Quebec some twenty-five or thirty years ago, there were many branch lines built by independent companies, the majority of which no doubt received Government assistance, but which were afterwards found not to be remunerative to those who invested money in them. What was true of Ontario and Quebec at that time is true now in the Maritime Provinces. In order to make these branch lines a success it was found necessary in the Upper Province to amalgamate them with the big trunk lines. Then they became feeders of the Grand Trunk Railway and the Canadian Pacific Railway and became profitable, which never would have been the case had

they remained independent. If it is necessary for the Grand Trunk Railway and the Canadian Pacific Railway to acquire branch lines by purchase or by lease or by construction, it is just as necessary for the Intercolonial Railway. I understand that the Government have gone so far as to say that they will lease the branch lines. What I contend is that if it be necessary to get a branch line into a fertile or productive territory, or even into a territory not so fertile or productive, the Government should buy it if they cannot lease it, and in this way bring the prosperity to the people of that territory to which they are entitled."

The most important statement, however, made in connection with the resolution of 1909, was made by the then Minister of Railways, Mr. Graham. So impressed was he with the question of branch lines that he regarded it as wise to commit his statement to writing in order that he might go on record as Minister of Railways on this question, and I regard this as the most important statement made in connection with the debate that year. Mr. Graham said:

"That brings me to the point of branch lines, a question of deep interest to the people of Canada in every part. I repeat that my opinions may be right or wrong, I think they are right. In order that there may be no mistake as to my position on this point, and that I may not say something that really does not express the full view I hold, I trust the House will bear with me if I read a few lines that I have jotted down. The question of branch lines is one that must be shortly faced, as it does not need an authority on transportation and railway traffic to understand that there can be no prosperous main line unless it is fed by branches stretching out into adjacent territory. The Canadian Pacific Railway is now in the east, the Grand Trunk Pacific Railway is going there, and if the Intercolonial Railway is to maintain its fair share of trade it will have to see that it gets some of the feeders. There is no use shrinking from the situation. Either the Government must be ere long prepared to acquire some of its

feeders and build new ones or it must hand over the management of the Intercolonial to some Company that will do so. It will not be fair either to the railway or to the section of the country served by it in face of the changed condition, to very much longer continue to occupy the present position. Companies recognize the necessity of branch lines, and that is why in the west there is almost, at the present time, a struggle to cover the territory with branch lines. If the Grand Trunk Pacific is to be the success it is hoped, it will have to see that it has a sufficient number of feeders to keep its trunk line busy. I think I am safe in saying that if a company owned the Intercolonial it would immediately proceed to pick out some of the best branch lines and absorb them, as well as build others, and it is possibly not going too far to say that were we prepared to lease the Intercolonial Railway to a company, any company desiring to get such a lease, as a condition of it, would agree to take over such branches and build others. This is my view of the situation, and while present conditions do not warrant the Government in launching out on the acquisition of existing branch lines, and the construction of new ones, the time cannot be far distant when the Government will be forced to take one of the two positions: either to adopt the policy of expansion itself, or in the interests of the road and the country it serves, lease the railway to some company that will adopt these business-like measures."

That was the stand taken by the Minister of Railways, evidently with a view of placing on record his position on the whole question. I think it will be generally conceded that Mr. Graham was one of the ablest men that had ever occupied the position of Minister of Railways, and therefore, a carefully prepared statement on the subject would naturally have great weight. So far there had been entire unanimity of opinion, as far as the Liberals from the Maritime Provinces were concerned, on the question of branch lines. They were pressing the question home on their own Government, pressing it by forceful arguments to the conclusion they hoped would be reached.

POSITION TAKEN BY
MARITIME CONSERVATIVES.

Now what position did the Maritime Conservative members take on the question prior to 1911, while in opposition? I am prepared to admit that the success which was accomplished in the securing of the decision which was secured, was due very largely to the fact that both Liberals and Conservatives stood together on the question. The Maritime members of both parties stood firm against Ontario and the West to get some kind of recognition and justice for the Maritime Provinces. If the Conservative members from the Maritime Provinces had stood to their guns subsequent to 1911 as they did prior to 1911, the situation which developed involving this debate would never have developed. What were the arguments used in favor of this great principle which was not only valuable to the Counties of Guysboro and Victoria, but valuable to the whole Eastern section of this country? I propose first to quote from a speech of the member for Halifax, Mr. Crosby, speaking to the last resolution which was confined to the non-railway counties, namely, Halifax, Guysboro, and Victoria. He said:

"I believe that such a railroad could be made a paying concern, though there is no doubt that for a few years after construction it would be difficult, perhaps to make it pay. That is the reason why it would be necessary to call upon the Government for assistance. We know that financial men are often unwilling to put their money into a concern unless they can see some immediate return for it. They must have the people's money in their hands before they start out to expend anything, the Government must give them a subsidy, either the Local or the Dominion Government or a combination of both, in order to guarantee them a return for their money before they will invest it. So I believe that the only hope that we have in Nova Scotia today is in the way of building branches to the Intercolonial."

I will next quote a passage from the speech of Mr. Maddin of Cape Breton, not only because the case of the Maritime Provinces is put so clearly, but because it also indicates the source from which the opposition came:

"I would like to point out to the hon. member for Assiniboia (Mr. Turriff), that when he tells us that the Intercolonial cost this Government \$40,000,000 and has since gone into Capital Account to the extent of \$80,000,000 for which no interest has been received, I would like to remind him that the Minister of Railways in bringing down his annual report last year, assured us of a surplus of over \$700,000. Can not that be applied to interest? Is that not some dividend? But, Sir, I wish to assure the hon. members that whether the Intercolonial Railway pays dividends or not, whether it incurs an annual indebtedness or not, it was not contemplated by those who undertook the construction of that railway, that it should be for the purpose of paying dividends, either to the Maritime Provinces before Confederation or to the Dominion of Canada after Confederation. It was for the purpose of welding the Provinces together and opening up the avenues of trade, and in carrying out Confederation it has faithfully and well served its purpose. BUT, ANNUALLY WHEN THE DEFICIT ON THE INTER-COLONIAL RAILWAY IS ANNOUNCED, A WHINE GOES UP FROM SOME WESTERN AND ONTARIO MEMBERS LIKE THE WAIL OF A LOST SOUL. ABOUT HOW MUCH MORE MONEY IS GOING TO BE WASTED ON THE INTER-COLONIAL. The member for Assiniboia (Mr. Turriff), failed to tell the House that there is \$100,000,000 invested in canals in Ontario and Quebec alone. These canals are worth absolutely nothing to the people of the Maritime Provinces. We are unable to send one pound of coal west of Montreal. Yet we are taxed to support these canals, as no revenue is collected from them, the locks being thrown open free to navigation. There is no whine about the cost of these canals. I submit that it is not fair to the people of the Maritime Provinces that this complaint about the deficit on the Intercolonial should be so often raised. Now, Sir, I am in complete sympathy with this resolution."

We now come to another statement which I regard as a very im-

portant one, a statement which was read in the House some time ago, but to make the record complete I will again quote from Mr. Borden's speech made in the House of Commons on Dec. 12th, 1910, and speaking to Mr. McKenzie's resolution. Mr. Borden, of course had a particular interest in this debate, because he regarded Eastern Halifax as coming within the definition of the non-railway Counties of Nova Scotia, so that in arguing for the resolution, he was arguing in the interests of his own County, as well as in the interests of Guysboro County. He said:

"Something has been said about other Counties of Nova Scotia, and I would like to say a word or two on behalf of the County I represent. Until the Halifax and Southwestern Railway was built, the County of Halifax—having a coast line of 140 miles and a width of from 25 to 50 miles had not within its limits more than 30 to 40 miles of railway. East of the City of Halifax and within the limits of the County, there are at least 100 miles, stretching to the limits of the County of Guysboro, where there is absolutely no railway accommodation whatever. A part of that district is a splendid agricultural section where the people have to haul their products from 25 to 40 miles to a railway station. There are plenty of timber lands in that section, there is opportunity for great mineral developments, there is a great natural wealth; and although, as my colleague from Halifax (Mr. Crosby) has said, a railway from Halifax to Guysboro will not pay in the very first instance, there is reason to believe that it would pay before being in operation many years. I passed along the shore of the County of Halifax to the County of Guysboro last summer. I travelled altogether about 500 miles through districts not served by railways at all, and where railway development would mean a great deal to the people and lead to a considerable development in that little Province.

"I can tell the Minister of Railways a great many things I saw, I could speak of a great many districts where railway facilities might mean a great deal to the

people, and might lead to very great progress and advancement in that little Province. I saw in the County of Guysboro, just across the line from the County of Halifax, one of the most splendid harbors that can be found anywhere in the world—Country Harbor. This harbor stretches back ten miles from the mouth, with water close up to the shore everywhere from 45 to 60 feet in depth, landlocked twice, and with a splendid roadstead outside, where in almost any weather, ships can ride in safety and have ridden in safety without going outside.

"The people of Halifax County as well as those of Guysboro County, and those of other Counties in the Province of Nova Scotia to which allusion has been made, have, it seems to me, fairly good reason to complain that their interests in respect to railway development, have not been properly attended to in the past. And especially is this true of the last fourteen years when the coffers of this country have been filled to overflowing, according to the boasts of the hon. gentlemen on the other side, and when huge projects of development have been undertaken. The Minister of Railways and Canals says that great projects of development have been and are being undertaken today. In that connection I have just this word to say: If the resources and revenues of this country are great enough to build 1,400 miles of railway through a practically uninhabited country between the city of Quebec and the city of Winnipeg, it seems to me there is good reason for the complaint on the part of the people of at least half-a-dozen Counties in the Province of Nova Scotia, that the Intercolonial Railway has not been developed and carried into these Counties. It seems to me, that where these people have been living for a hundred years—as, in many Counties of Nova Scotia they have been—without opportunity for railway communication we might well have had a little regard for them before we commenced to build 1,400 miles of railway through a country with absolutely no population and of the resources of which we have no adequate knowledge, though at this moment the railway is now

perhaps, more than half constructed. It comes down simply to this: Does the Government of this country propose to maintain the Intercolonial Railway of Canada as a state-owned railway, or is it vacillating and hesitating, unable to make up its mind as to whether that road is to be a state-owned railway or is to be handed over to some private corporation for operation? I will assume for the moment that it is the intention of the Government, as I believe it is the will of the people of Canada, that the Intercolonial shall still continue to be owned by the people of this country. Then I say, it is the duty of the Government under these conditions, to give the Intercolonial Railway, not only in the Province of Nova Scotia, but in every Province of Canada, that development and that extension which a private corporation would give to that road, should it pass into the ownership of such a corporation. This is no time for hesitation and vacillation. Make up your mind, and I hope you have made it up in the direction I have indicated, then, give to the Intercolonial the branches, feeders, extensions which would be given if it were owned by any of the great railway corporations.

That is where Mr. Borden stood on the subject. The thing accomplished as a result of all this debate was no doubt due to the fact that he, together with the Maritime members, both Liberal and Conservative, supported it. I now desire to put on record what followed. What was the practical effect of all this argument? I propose to give documentary evidence without much comment so that there can be no mistake as to what happened, and I submit this evidence to the honest consideration of hon. gentlemen opposite and to the people of the country. The practical result of this debate was shown when the supplementary estimates were brought down in May, 1911. This statement appeared in those estimates, and I desire hon. gentlemen to remember that this statement was repeated in the estimates brought down by the present Administration. The statement is as follows:

"Toward the construction of a railway from a point on the In-

tercolonial Railway at or near New Glasgow, in the County of Inverclyde, (or from Sunny Brae in the said County, in the event of the branch line of railway to that place being acquired, as it may be under this appropriation) to the Town of Guysboro, and from the said line of railway at Cross Roads, Country Harbor to the deep water of the said Harbor—\$1,000,000.00.

"Toward the construction of a railway from a point on the Intercolonial Railway at or near Dartmouth, in the County of Halifax, via Musquodocout Harbor and the Valley of Musquodocout to Dean's Settlement, in the said County.—\$1,000,000.00.

"Toward the construction of a railway from a point on the Intercolonial Railway at or near Aita, in the County of Inverness to the Town of Baddeck, in the County of Victoria.—\$200,000.00."

WHAT THE LAURIER GOVERNMENT DID.

This was the practical upshot of the debate on the question of branch lines, championed by both Liberal and Conservative members. The balance of the railway problem of Nova Scotia was being solved by this action more satisfactorily than it was possible to solve it in any other way. The next thing that happened was that the matter was handed over to the Department of Railways and Canals, and Mr. Bowden was directed to go ahead with the work of construction. This was done immediately after the estimates were brought down. Steps were at once taken to do two things, namely to check up the surveys and to reduce the grades at certain points, endeavoring to get the grade down to one-half per cent. grades.

NOTICES FOR TENDERS CALLED.

On August 12th and 25th, 1911, two notices were issued from Ottawa calling for tenders. I have here copies of the notices calling for tenders for the Sunny Brae and Guysboro branch, and also for the Dartmouth to Dean's Settlement branch, but I do not happen to have that for the Victoria County branch. The notice of the Sunny Brae branch ap-

prepared in The Morning Chronicle of Aug. 22nd, 1911, and was as follows:

DEPARTMENT OF RAILWAYS AND CANALS.

Branch line of Railway from Guysboro to Sunny Brae through Country Harbor Cross Roads with an extension from Country Harbor Crossroads to Deep Water of Country Harbor.

SEALED TENDERS addressed to the undersigned and endorsed "Tender for Guysboro—County Harbor line" will be received at this office until 16 o'clock, on Friday, September 15th, 1911, for section No. 1 of the above line of railway, comprising that portion extending from Guysboro to County Harbor Cross Roads and from the latter point to Deep Water, Country Harbor.

Plans, profiles, specifications and form of contract to be entered into can be seen on or after the 15th instant at the office of the Chief Engineer of the Department of Railways and Canals, Ottawa, at the office of the Chief Engineer of the Intercolonial Railway, Moncton; and at the office of the Board of Trade, Halifax. Forms of tender may be procured from the Chief Engineer of the Intercolonial Railway. Parties tendering will be required to accept the fair wages schedule prepared or to be prepared by the Department of Labor, which schedule will form part of the contract.

Contractors are requested to bear in mind that tenders will not be considered unless made strictly in accordance with the printed forms, and in the case of firms, unless there are attached the actual signature, the nature of the occupation, and the place of residence of each member of the firm.

An accepted bank cheque for the sum of \$100,000, made payable to the order of the Minister of Railways and Canals must accompany each tender, which sum will be forfeited if the party tendering declines entering into contract for the work, at the rates stated in the offer submitted. The cheque thus sent in will be returned to the respective contractors whose tenders are not accepted. The cheque of the successful tenderer will be held as security, or part security, for the due fulfilment of the contract to be entered

into. The lowest or any tender not necessarily accepted,

By order, L. K. JONES,
Secretary.

Department of Railways and Canals,
Ottawa, Aug. 12th, 1911.

The other day in this House the hon. member for Cape Breton, Mr. Butts, who I regret is not in his seat at the present moment, referring to this contract said that it was a fool contract.

MR. TANNER: The hon. member can not in this debate refer to statements made by another member in the course of another debate and proceed to reargue the question.

HON. MR. MURRAY: The point is no doubt correct.

MR. TORY: On August 14th, 1911, the following notice calling for tenders on the branch from Dartmouth to Deans, appeared in the 'Morning Chronicle':—

"SEALED TENDERS addressed to the undersigned and endorsed 'Tenders for Branch Line, Dartmouth to Deans', will be received at this office until sixteen o'clock on Friday, Sept. 15th, 1911.

"Plans, profiles, specification and form of contract to be entered into can be seen on and after the 15th instant at the office of the Chief Engineer of the Department of Railways and Canals, Ottawa; at the office of the Chief Engineer of the Intercolonial Railway, Moncton; and at the office of the Board of Trade, Halifax. Forms of tender may be procured from the Chief Engineer of the Department of Railways and Canals, or from the Chief Engineer of the Intercolonial Railway.

Parties tendering will be required to accept the fair wages schedule prepared or to be prepared by the Department of Labor, which schedule will form part of the contract.

Contractors are requested to bear in mind that tenders will not be considered unless made strictly in accordance with the printed forms, and in the case of firms, unless there are attached the actual signature, the nature of the occupation, and the place of residence of each member of the firm.

An accepted bank cheque for the sum of \$150,000.00 made payable to the order of the Minister of Railways and Canals must accompany each tender,

which sum will be forfeited if the party tendering declines entering into contract for the work, at the rates stated in the offer submitted. The cheque thus sent in will be returned to the respective contractors whose tenders are not accepted. The cheque of the successful tenderer will be held as security, or part security, for the due fulfilment of the contract to be entered into.

"The lowest or any tender not necessarily accepted.

"By order,

"L. K. JONES,

"Secretary.

"Department of Railways and Canals, Ottawa, August 25th, 1911."

MR. DOUGLAS—Were there any other tenders advertised for in connection with the Guysboro County Railway?

MR. TORY—I do not know of any other.

MR. DOUGLAS—With reference to Section 1.

MR. TORY—The road was to extend from a point at or near Sunny Brae to the deep waters of Country Harbor, and from Cross Roads, Country Harbor to Guysboro. For the purpose of construction it was divided into two sections, section one being from Guysboro to Cross Roads, Country Harbor, and section two, being from Cross Roads, Country Harbor to a point on the Intercolonial at or near Sunny Brae.

TENDERS ACCEPTED.

On Oct. 5th, 1911, an announcement appeared in the Halifax Herald, and also on the same date in The Morning Chronicle, as follows:

"An order-in-Council has been passed awarding the contracts for the extensions of the Intercolonial in Nova Scotia for which the money was unanimously voted by Parliament last June, and for which the tenders were received over a month ago. The lowest tenderer in each case is awarded the contract. The branch from Dartmouth to Deans will be built by M. P. Davis, and the Guysboro County line will be built by the Nova Scotia Construction Company. The Government in awarding the contracts have simply complied with the mandate of Parliament and have followed the

usual procedure in concurring in the recommendation of the Departmental Engineers as to the lowest figures submitted by the various firms tendering.

Now so far we had the money voted, the surveys completed, profiles prepared, tenders asked for, and tenders accepted, and on Oct. 6th, 1911, plans and profiles were filed in the registry office at Guysboro with a view to proceeding with the expropriation of right of way.

WHAT THE BORDEN GOVERNMENT DID.

Now we come to where the present Minister of Railways, Mr. Cochrane, took up the matter. His first act was a notice to both the Nova Scotia Construction Company, who were the contractors for the Guysboro branch, and to the Davis Company, who were the contractors for the Halifax branch, not to proceed with the work unless further notified. Later on the Davis Company were notified to proceed with the Halifax construction, and Mr. Cochrane proceeded to get rid of the Guysboro contract. I have in my hand a return which was recently brought down in the Federal Parliament, being Sessional paper No. 83 E, which gives the official record of the proceedings of Mr. Borden's administration to destroy the work done by Sir Wilfrid Laurier's administration in connection with the Guysboro Railway. The first document which I wish to put on record is a memo submitted to the Government by Mr. Cochrane on Feb. 10th, 1912, and is self-explanatory:

"February 10th, 1912.

"The undersigned has the honor to represent that, by newspaper advertisement, tenders were called for, to be sent in by the 15th of September, 1911, for the construction of a branch line of the Intercolonial Railway from Guysborough to Country Harbor Cross Roads and from the latter point to Deep Water Country Harbor.

"That, on submission of these tenders to the Governor-in-Council, an Order-in-Council, dated the 2nd of October, 1911, was passed authorizing the acceptance of the schedule rate offer of the Nova Scotia Construction Company, Limited, theirs being the lowest of the eight tenders received. On the 7th of that month the company were notified that their tender was accepted, and they were

called upon to enter into contract for the work. With their tender the company had sent in a cheque for \$100,000 as security that they would enter into contract if called upon to do so. On the 10th of October this cheque was forwarded to the Finance Department with a request that they would deduct from it the sum of \$52,856 as the 5 per cent. security to be retained for the fulfillment of the contract, furnishing the Department with a cheque in favor of the company for the balance after such deduction. Under date the 12th of October, the Finance Department forwarded a cheque for \$47,144 in favor of the company, accordingly. This cheque, however, has not, up to the present time, been forwarded to them.

"In the meantime, under date the 11th of October, by telegram and letter the company were notified not to proceed with the work in question unless and until further directed.

"No formal contract has been made or prepared, and it is now considered desirable to abandon the project of constructing this branch at present, and to cancel such contract as may have been created by the above mentioned acceptance of the company's tender.

"The undersigned recommends that the contract so made with the company be cancelled, and that the authority be given for the return to them of the said sum of \$100,000."

Respectfully submitted,

F. COCHRANE,

Minister of Railways & Canals.

There did not seem to be much doubt about the intent of the Minister as set forth in this document. Now I come to the Order-in-Council referred to in the memo, and I wish to call attention to the fact that so hard and fast had the thing been done that it was necessary to pass an Order-in-Council to get rid of the contract, which further required the signature of the Governor General of Canada. It was not an enviable position in which to place the first man of Royal blood who occupied the position of Governor General of Canada, to require him as one of his first acts to take away from the people of Guyshoro and Victoria Counties the money that had been voted

to provide them with transportation facilities. Here is a certified copy of the Order-in-Council, assented to on the 12th day of February, 1912:

Certified copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 12th February, 1912.

"On a memorandum dated 10th February, 1912, from the Minister of Railways and Canals, representing,—

"That by Order-in-Council of the 2nd October, 1911, authority was granted for the acceptance of the tender of the Nova Scotia Construction Company, Limited, for the construction of a branch line of the Intercolonial Railway from Guyshoro to Country Harbor Crossroads and from the latter point to Deep Water Country Harbor;

"That on the 7th October, 1911 the Company were notified that their tender was accepted and they were called upon to enter into contract for the work;

"That under date the 11th October, 1911, by telegram and letter the Company was notified not to proceed with the work in question unless and until further directed;

"That no formal contract has been made or prepared, and it is now considered desirable to abandon the project of constructing this branch at present and to cancel such contract as may have been created by the above mentioned acceptance of the Company's tender;

"The Minister, therefore, recommends that the contract so made with the Company be cancelled and that the authority be given for the return to them of the security deposit of \$100,000 which accompanied their tender.

"The Committee submit the same for approval."

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

The Honorable, The Minister of Railways and Canals.

That was the death knell of the Guyshoro Railway as far as the Borden Government was concerned.

MR. MARGESON: Did the late Government accept the contract after they had been defeated at the polls?

MR. TORY: Yes, and they did so quite properly for they were still the Government of the country. It is the usual thing for certain things that are left over to be cleared up by the retiring Government, because they are more familiar with the details, especially in cases where the matter was entered into with the unanimous consent of Parliament.

Now, I would like to read another letter on the subject written by Mr. Cochrane, the Minister of Railways and Canals. There seemed to be such great care that this railway project should be absolutely killed that this letter was sent to Mr. Pottinger with special instructions that it should be delivered to the Nova Scotia Construction Company, personally by a responsible officer of the staff. The letter is as follows:

"Ottawa, Feb. 29th, 1912.

Original of this letter, with enclosures mentioned therein, served on the Nova Scotia Construction Co. Ltd., at Sydney, on Thursday, March 7th, 1912.

A. M. McLELLAN.

"Sirs—On the 11th October last, you were notified by letter and telegram not to proceed with the work of constructing a branch of the Intercolonial Railway between Guysboro and Country Harbor unless and until further directed.

"It having been decided that this branch should not be built at present, an Order-in-Council has been passed, under date the 12th of February instant, cancelling such contract as may have been created by the acceptance of your tender.

"I enclose a certified copy of this Order, at the same time returning to you the deposit of \$100,000 sent in by you with your tender, to which there has been added by the Finance Department interest on the sum of \$52,856 lodged with them for safe keeping, as the 10 per cent security that would have been required from you in the premises."

Your obedient servant,

F. COCHRANE,
Minister of Railways & Canals,

The Nova Scotia Construction Co.,
Ltd., Sydney, N. S."

I also desire to put on record the letter of instructions referred to which was sent to Mr. Pottinger by the Secretary of Railways and Canals, so that the care of the Minister to get rid of the Guysboro road may be established by irrefutable evidence.

February 29th, 1912.

"Sir:—I enclose herewith, for personal delivery by a responsible officer of your staff, a letter from the Minister to The Nova Scotia Construction Company, Limited, at Sydney, N. S., covering a certified copy of an Order-in-Council, passed on the 12th of February, instant, cancelling such contract as may have been created by the acceptance of their tender for construction of the branch of the Intercolonial Railway between Guysboro and Country Harbor, it having been decided not, at present, to build this line; and further, covering two cheques of the Finance Department aggregating the sum of \$100,000, the amount sent in by the Company with their tender, together with interest allowed by the Finance Department on the portion deposited with them as the 10 per cent security that would have been required.

The Minister's letter is sent in duplicate, and you will be pleased to have endorsed on the duplicate a certificate of service of the original on the Company by the official whom you may detail for such service, returning the duplicate to the Department.

Be pleased to give immediate attention to the matter."

I am, sir,

Your obedient servant,

L. K. JONES,
Secretary.

D. Pottinger, Esq., I. S. C.
Assistant Chairman
Government Railway Managing
Board.

Moncton, N. B.

Now that was not all. That got rid of the legal side of the question as far as the company was concerned. To be sure that there was no possibility of the railway again coming to life, another document was required to finish it in proper form. This appeared in a letter dated August 9th, 1912, and signed by J. D.

Reid, a worthy man for such a purpose:

CANCELLATION OF EXPROPRIATION PROCEEDINGS.

To all whom these presents shall come or whom the same may in any way concern.

Whereas, the Honorable the Minister of Railways and Canals for the Dominion of Canada on the 6th day of October, A. D., 1911, caused a plan prepared under the provisions of "The Expropriation Act" being Chapter 143 of the Revised Statutes of Canada, 1906, to be deposited with the Registrar of Deeds for the County of Guysboro in the Province of Nova Scotia, and whereby the lands and premises shown thereon intended for the purposes of the railway known and designated as the Intercolonial Railway, Branch Lines, Sunny Brae to Guysboro, and Country Harbor, a public work of Canada, became or were intended to become vested in His Majesty the King, and whereas no compensation money has yet been paid by His said Majesty for the said lands and whereas the said lands have been found to be unnecessary for the purpose of the said public work. Now therefore pursuant of and by virtue of the provisions of Section 23 of the said Act, I, John Dowsby Reid, acting Minister of Railways and Canals of Canada DO

HEREBY DECLARE THAT THE LANDS ARE NOT REQUIRED AND ARE ABANDONED BY THE CROWN.

(Sgd.) J. D. REID,

Acting Minister of
Railways and Canals.

Witness my hand at Ottawa
this 9th day of August, A.
D., 1912, Signed in pres-
ence of

L. K. JONES.

Attached to this document was the certificate of a Notary Public authenticating the signatures connected therewith.

Thus ended the chapter as far as the railway project undertaken by the late Liberal Administration was concerned in connection with the Counties referred to, and it was made clear that there should not be a shadow of doubt left as to what was the intention of the present Government with regard thereto.

MR. MARGESON—Has my hon. friend a copy of the contract with

the Nova Scotia Construction Company?

MR. TORY—There was no formal contract. There was the acceptance of the tender, which was in itself a contract.

MR. MARGESON—Was there an acceptance of tender to build from New Glasgow to Country Harbor Cross Roads and to Guysboro? What did the Nova Scotia Construction Company undertake to build under the contract accepted October 7th, 1911?

MR. TORY—I have read what they undertook to build. In the first place in the estimates brought down the road was intended to be built from a point at or near New Glasgow to the deep waters of Country Harbor via Country Harbor Cross Roads and to Guysboro. The road was divided into two sections. Section one, was from Guysboro to Country Harbor deep water. Section two, was to complete the road to a point at or near New Glasgow. In regard to section one, there was no dispute as to the route or surveys, the matter was absolutely clear. I had a conversation with the Chief Engineer of the Department of Railways with regard to it. As to the other part of the road there were two points of difficulty to be settled in the future. First, it was left open as to whether they should buy out the Sunny Brae branch, or whether the road should go from a point near New Glasgow down the East River to St. Mary's, and thence to Country Harbor. It took time to see whether they could get that branch, but it was finally bought. Then there was some doubt as to whether the road should go down the East or West branch of St. Mary's River. That was why the second section was held up.

MR. TANNER—What was the doubt as to the route?

MR. TORY: It was an engineering difficulty. There were some things in favor of the East branch route, and some things in favor of the West. There were more people on the East branch, but an easier route on the West.

MR. TANNER: Is my hon. friend aware that this Government had located a line and reported it to this House as settled?

MR. TORY: I understand from Mr. Bartram that both locations had been made, and it was a question which was easier. In speaking of this

matter to the Chief Engineer of the Department of Railways and Canals, I said: "Do you see the great fishing grounds off the coast of the County of Guysboro? You tell me that you expect an enormous output of coal to go from Pictou County, but I tell you, that your south going freight from the coal mines of Pictou does not compare with the north going freight from the fishing banks of Guysboro County." I said to Mr. Bowden that for my part I was willing that a competent engineer should decide on the best route to connect with the Northern markets, which it was hoped would be reached by means of this railway.

CAUSES LEADING TO CANCELLATION OF CONTRACT.

I now wish to discuss some of the causes which I conceive led to the action taken by the Federal authorities. I think it only fair that we should ascertain if possible what the reasons were which led the Government to deprive the people of Guysboro of one of their highest hopes. Nothing has happened to that County in years that has brought to them so much discouragement and despair as this action of the Federal authorities in connection with this matter.

POLITICAL UNRELIABILITY OF MR. BORDEN.

The first cause as I understand it, was the political unreliability of the Prime Minister of Canada. Everybody knows, as far as this road was concerned, and nobody better than the hon. leader of the Opposition, that both Parties, Liberal and Conservative, were pledged to the limit to build the road. The hon. leaders of the Opposition had spoken time and again condemning this Government for not having done more. At the Truro Convention, the Liberal Party of the Province was condemned in the strongest possible terms for not having attended to this railroad matter before this, and in the House of Commons at Ottawa, Mr. Borden, as I have shown, not only took the side of the Liberals in advocacy of these branch lines, but he also stumped the County of Guysboro with the candidates and told the people, in effect, "Give us a chance and

we will show you how to build the Guysboro Railway." The people have had their answer in the documents I have read. More than that, Mr. Borden came to Halifax during the last election and issued a manifesto to the people of Halifax County claiming credit for the branch lines. Speaking to the people of Halifax County, he said:

"Railway extension through the eastern part of the County has for many years been urgent. For fifteen years the Federal Government with abounding revenues has remained indifferent and inactive. During the past session, while both Federal and Provincial Governments were trifling with the question, I took the ground in Parliament that the road should be built as part of the Intercolonial Railway, and without delay. As a result of this the Federal Government has apparently been awakened to a momentary sense of its duty, and an item of \$1,070,000.00 has been inserted in this year's estimates for the commencement of the work."

Then, when he got into power he selected his own piece of railway, and cancelled that which he had promised to the people of Guysboro. I do not think I need urge anything further as to the political unreliability of the Prime Minister of Canada.

SELFISHNESS OF HALIFAX.

I come to another phase equally important. The next cause for cancellation of the contract which I assign may seem a strange one to make, but enquiry will soon find there is truth behind it. One of the things that has for years been operating against the securing of railway facilities in Guysboro has been the antagonistic attitude of the business interests of the City of Halifax. For years and years these interests have been so afraid of Country Harbor as an open port, that they have used every legitimate means to stop the building of this road.

DOMINANCE OF ONTARIO AND MANITOBA.

The next cause, and one of no doubt greater importance was the dominating influence over the Prime Minister,

of Messrs. Cochrane and Rogers representing Ontario and Manitoba. Since the days of Confederation, Ontario has been hanging like a mill stone about the neck of Nova Scotia. It was in a large measure to save Ontario from an impossible situation, and to give weight to her influence against Quebec, that we were drawn into Confederation. They said to us in effect, "Come in with us and we will do great things for you, with our united influence we will be able to secure Reciprocity with the United States." But when after years of waiting, the opportunity to secure Reciprocity came, Ontario robbed us of it. I propose to submit one or two facts which I think will very clearly show the dominating influence of this Province. They evidently wanted money in Ontario, and Mr. Borden, and Mr. Cochrane undertook to get it. The following resolution which was moved by the Prime Minister of Canada will indicate what I mean:

"Mr. Borden moved that the House do to-morrow (Mar. 22nd, 1912) go into committee of the whole to consider the following resolution:

"RESOLVED, that it is expedient to provide as follows:

(1) That the Governor in Council may grant to the Government of the Province of Ontario a subsidy not exceeding \$6,400 per mile, not exceeding in any case the number of miles hereinafter respectfully stated.

(i) For the line of railway from North Bay on the Canadian Pacific Railway to Cochrane on the Grand Trunk Pacific Railway; not exceeding 252.3 miles (ii) for the following branch lines of railway: (a) from Englehart to Charlton, not exceeding 7.8 miles. (b) from Cobalt to Kerr Lake, not exceeding 3.9 miles. (c) from Iroquois Falls to Timmins: not exceeding 33.16 miles. (d) from Nipissing Junction to North Bay, not exceeding 2.18 miles.

"(2) That the subsidies hereby authorized shall be payable out of the consolidated revenue fund of Canada at the option of the Governor-in-Council, and may be paid upon the certificate of the chief engineer of the Department of Railways and Canals as to the mileage constructed, in such manner and in such amounts, and subject to such conditions, if any,

as the Governor-in-Council deems expedient.

"He (Mr. Borden) said: His Royal Highness the Governor General having been made acquainted with the terms of this resolution has been pleased to give his assent thereto."

The Minister of Railways was putting his hand into the pockets of the fishermen and farmers of Guysboro, and taking away the money voted for railway construction in that County, while at the same time Mr. Borden was providing to give the money taken from the people of Guysboro over to Ontario. This subsidy would amount to \$1,968,976. But what about this Northern Ontario Railway? Here was a railway built four or five years previously that was earning a net revenue of half a million dollars a year, built as a Government owned road, and yielding large dividends. Yet the Prime Minister undertook to hand over to the Province of Ontario nearly \$2,000,000 on account of that railway. The ex-minister of railways, Mr. Graham, speaking on this subject, said:

"If I were Ontario I would not ask for these millions from the Dominion Treasury. I am stating sincerely as a business man, and a representative of Ontario, that I would not do it, and I say that honestly. This road has proved a great success, it is a valuable property, worth as much money as the Ontario Government has spent on it, I presume and more, because it would cost from twenty to forty per cent more to construct it now than it did at that time. It is a great asset for the Province, and has passed beyond the realm of experiment. The giving of this subsidy does not open up one acre of land or give transportation to one single individual."

MR. SINCLAIR of Guysboro in speaking in connection with the same matter said:

"I took the trouble to look at the account of the treasurer and I find that in 1909 the commission paid to the treasurer of Ontario \$550,000, and in 1910 it paid \$420,000, and carried forward to herest \$238,176.60. (Total \$1,158,172.60) I have not been able to get the figures for 1911."

That is what happened in connection with that item. The money was de-

liberately taken away from the County of Guysboro and handed over to the Province of Ontario, or attempted to be handed over, as a subsidy to a road that was already built and paying dividends.

Now we come to the Province of Manitoba. This Province with a population less than that of Nova Scotia has at present, a subsidy from the Federal Government of \$1,450,757.14, while that of Nova Scotia is only \$636,666.86. This large subsidy to Manitoba is the result of a deal put through by Mr. Borden and Mr. Rogers in 1912. Mr. Rohlin, Premier of Manitoba, in speaking of the terms granted said:

"Now let us recapitulate and see just what our financial benefits are as a result of the rearrangement of the terms with the Dominion.

Increase in subsidy	\$ 202,636.58
increase in lieu of lands	313,278.53
Allowance on public buildings	201,723.55
Arrearages	2,178,648.57

"Total cash accruing to the Province as at this date as a result of the settlement \$2,896,387.25.

"Coupled with this comes the increase that comes in lieu of lands as our population increases up to the time when we will receive \$1,125,000 per year. This along with the extended boundaries, in a word, is what the Bill before us secures for Manitoba".

That is possibly where the money voted for the county of Victoria went. They had to get it somewhere, and it seemed necessary to rob Nova Scotia in order that it might be handed over to Ontario and Manitoba. In addition to that, for railways and canals outside of the Intercolonial Railway, there was voted in the estimates of 1912-13 the sum of \$36,000,000, of which not a dollar, as far as I know, was spent in Nova Scotia. In the estimates for 1913-1914 there was again provided for the same purposes the enormous sum of \$31,314,000. The matter is very ably summed up by Mr. D. D. McKenzie in a speech delivered in the House of Commons on March 28th, 1912. This is what he said:

"We are told that the Province of Manitoba is entitled to great

consideration because the people there are pioneers. I want to tell the Prime Minister that there are no greater pioneers in Canada than he will find in the Province of Nova Scotia. They came here 200 years ago and found nothing but a wilderness, Indians and woods down to the waters. They took their axes in their hands and cut down the trees and began to cultivate the soil. They have been there for the last 200 years, and yet they have no railway. Are they not pioneers, are they not entitled to some consideration? They have paid their share of the taxes for the last 200 years, they have discharged their duties of citizenship ever since Confederation, and when we had \$200,000 in the estimates last year for the purpose of giving them railway communication, now the Minister of Railways strikes it out. What is he giving elsewhere? He is giving \$26,000,000 in subsidies to different parts of the country; he has given \$2,000,000 to the Province of Ontario; he has given \$1,175,000 to the Canadian Pacific Railway and to other roads for bridges all over Canada. The great and successful concern the Canadian Pacific Railway, with so many millions that they do not know what to do with them, are given some hundreds of thousands of dollars to build bridges which they can well afford to build themselves. . . . The Minister of Railways has given \$6,300,000 to the Province of British Columbia against which I have nothing to say. We have altogether something like \$35,000,000 scattered all over this country, and how much does Nova Scotia get out of it? There is one little bit of a line getting \$192,000, amounting according to population, to some 40 cents a head to the people of Nova Scotia, when there is something like \$4.50 per head for the people of the whole Dominion given in railway subsidies and for other enterprises in this country."

That was Mr. McKenzie's statement, and he put it clearly as it should be put.

REACTIONARY POSITION OF MARITIME CONSERVATIVE MEMBERS.

The next cause to which I wish to refer is the reactionary position taken by the Maritime Conservative members subsequent to 1911. As I have already stated, this cause for branch lines was won because of the fact that both Liberals and Conservatives stood together in support of it. But immediately upon a change of Government when the Conservatives came into power, there was a change of front on the part of the Conservative members. We had Mr. Stewart of Lunenburg; Mr. McCurdy, of Queens; Mr. Jamieson of Digby; Mr. Davidson of Annapolis; Mr. Foster, of King's; Mr. Tremaine, of Hants; Mr. Stanfield, of Colchester, all supporting the Government, and as far as I know there has not been a word of protest from any one of these gentlemen. If they had said it was a matter to which the party was pledged, or if they had said it was a matter that was vital to the interests of Nova Scotia, does anyone think that these cancellation proceedings would have been allowed to go through? But apparently all that these Nova Scotia members cared was to see that Halifax was satisfied, and the rest of the counties could go to the dogs.

ALLEGED ANTAGONISTIC ATTITUDE OF LOCAL CONSERVATIVE LEADERS.

Another cause of importance was the alleged antagonistic attitude of some of the local leaders of the Conservative Party in Nova Scotia. In 1908, the hon. Leader of the Opposition, Mr. Tanner, himself asked this Government to appeal to the Government at Ottawa to have these roads built. He said if they could not build the roads themselves, why not get the Federal Government to deal with the subject? At that time the hon. gentleman was evidently in accord with that view. But now where does he stand? Where is his patriotism, is it on a par with the patriotism of the members of his party at Ottawa? I can scarcely believe it. It is hard to believe that the hon. leader of the Opposition could be inveigled into taking a position that must be regarded as inimical to the interests

of the province of Nova Scotia. At the same time, in the absence of other evidence, one can only judge of the position taken by the hon. Leader of the Opposition from what is stated in the public press. Prior to the last election they stated through the press and on the public platforms that the Conservatives, if returned to power, would build the Guysboro railroad, and it was reported that some of them went so far as to say, that if the Government would not do it they would build it themselves. On declaration day, Mr. Sinclair, speaking at Guysboro, said he could assure the people present that if the new administration adopted the policy of the late Government in respect to the building of branch lines, they would have his support.

Mr. Rowlings rose and said that they would not follow the policy of the late Government, what they proposed to do was to build the road, that the policy of the Conservative Party was a policy of construction. I regret to have to say, that instead of it being a policy of construction, it has so far been a policy of destruction. In connection with the attitude of certain local Conservative leaders, I would like to quote an article published in the Eastern Chronicle, on Aug. 27th, 1913:

"The Guysboro railway would now be half built if it were not for such Tory bosses as G. A. Rowlings, S. R. Giffin, John S. Wells, and G. T. McNutt. The disaster of Sept. 21st, 1911, placed their party temporarily in power. What did they do? Did they try to carry out the contract made by the Laurier Government? Did they insist that the money voted by the late administration to give railway facilities to Guysboro and East Pictou should be honestly spent for that purpose? Did they point out to Mr. Borden that he had solemnly pledged his honor when in opposition that he would build this branch line and that he should not now violate his pledge? Did they insist that Mr. Borden should treat Guysboro County as well as Halifax County? This is what was expected of these gentlemen, but they were found wanting. Shortly after their victory they participated

"in a certain Belshazzar's feast in
 "Halifax, and were present at an
 "interview with Mr. Borden and
 "Mr. Cochrane, the Minister of
 "Railways, when this question as
 "to the fate of the Guysboro
 "branch line was settled.. Not
 "only did they fail to stand for
 "the rights of the County, but
 "they consented that the Minister
 "should throw the whole scheme
 "overboard with the hope of re-
 "viving it again as a Tory elec-
 "tion kite. The Minister gladly
 "acquiesced with the result that
 "everybody knows. Does anyone
 "imagine that if Mr. Rowlings
 "and his fellow conspirators had
 "stood out like men for the in-
 "terests of Guysboro, Mr. Borden
 "would have dared to hold the
 "Halifax contract and cancel the
 "Guysboro one? Does any one im-
 "agine that if Mr. Rowlings was
 "not a consenting party to this
 "outrage he would have been as
 "silent as a clam for a whole year
 "in his paper, "The Guysboro
 "Times?" There is not the slight-
 "est doubt that these wreckers
 "put the boulders on the track,
 "and the people of Guysboro
 "County will not fail to hold
 "them responsible."

I give this for what it is worth.

Another article which touches my
 hon. friend the Leader of the Opposition,
 appeared in the same paper on
 Jan. 18th, 1912. It says:—

"Another man that is, we sus-
 "pect, playing into the hands of
 "Halifax and against the inter-
 "ests of his own County is C. E.
 "Tanner, M.P.P. The hold-up is
 "so unlike Senator Fell that we
 "hesitate to charge him with a
 "share in that and the hold-up in
 "the Thorburn Railway."

That was a statement made in a
 reputable paper in the Province of
 Nova Scotia, and so far I have not
 seen it denied by any one of those
 concerned in the matter.

With regard to other members of
 the party, the only hon. gentleman
 whom I have heard declare his posi-
 tion on the matter, was my hon.
 friend from Cape Breton, Mr. Butts.
 Last session he declared in this
 House that the contract was never
 cancelled, and then the other day he
 declared it was a foolish contract. In
 this connection, I wish to state that
 if this hon. member will go down to

the county of Guysboro and repeat
 that statement, he has better cour-
 age than I give him credit for.

The last cause to which I wish to
 refer is the indifferent attitude of the
 Conservative press. The Halifax Her-
 ald some time ago produced a long
 article on the unfair treatment that
 Nova Scotia had received from the
 Federal Government, but when it
 came to its appeal for what was
 needed, it came down to doing some-
 thing for Halifax. To the Herald,
 Nova Scotia is Halifax.

MR. TORY said :

Mr. Speaker, when the debate was
 adjourned I had pretty well conclud-
 ed my argument on the resolution
 under consideration. I now propose
 to examine the defence set up by
 those who had been parties to the
 taking away from the Counties of
 Guysboro and Victoria, the moneys
 voted for railway construction in
 those Counties, while at the same
 time they allowed the contract in
 favor of the County of Halifax, Mr.
 Borden's own County, to remain
 though made under exactly similar
 conditions, by the same Government,
 on the same form of tender, and on
 the same notice, accepting that con-
 tract although it had been made by
 the Liberal administration. They
 accepted the contract which related
 to Halifax, but they got rid of the
 contract that related to the County
 of Guysboro.

THE GOVERNMENT'S DEFENCE.

What defence has been offered?
 Hon. members opposite will admit,
 in their hearts at least, that there is
 absolutely no sound defence possible,
 but of course some form of excuse
 had to be made to make the transac-
 tion look a little better. To their
 credit be it said, that most of the
 Federal Conservative members, when
 the matter was brought up in the
 House, were silent. There were a few,
 who when hard pressed by the cir-
 cumstances of the case, attempted to
 put up some justification for the pro-
 ceeding. The Government had been
 asked what it was going to do. When
 the present Government brought
 down their first estimate for the
 year 1911-1912, all three votes for
 the construction of railways in Nova
 Scotia remained as voted by the
 Liberal administration. When the
 next estimate was brought down
 only the vote for Halifax County
 remained, the other two were elimin-

ated, and an amount of \$85,000 substituted to pay for surveys. And when the estimates for 1913-1914 were brought down, nothing remained but the vote for Halifax. Mr. Borden's defence in substance was: "We cannot do everything at once, there are a great many claims to be met, and the estimate is running very high." At the same time the revenue had increased from one hundred and one millions in 1910, to one hundred and seventeen millions in 1911, and in the year 1912, the revenue had reached one hundred and thirty-six millions, or an increase in two years in excess of the total revenue of 1895.

The next excuse of the Premier was a rather remarkable one. In substance he said "Don't be down-hearted. There is a very progressive Government in office, and you may expect that a progressive Government will do whatever is necessary in the interests of the Province." So far as the Country of Guysboro was concerned, the progress was made like a lobster, backward. They were not showing much progressiveness by way of constructing railroads in Guysboro, but on the contrary, were taking every legal step to get rid of the provision previously made for such construction. That was the substance of the defence made by the Premier, and it does not require any skilful analysis to show that it was more bluff than defence.

The champion defender, however, was Mr. Rhodes from Cumberland, and one of the arguments of that gentleman was that he had some doubt as to the speed with which the late Government would have gone forward with the work after election, but when his position was challenged as to whether he believed that the matter was dealt with seriously and honestly by the Government, he had to back down. But the chief argument used by Mr. Rhodes, and after all it was the one that lay at the foundation of the whole situation, was this: After accusing the Liberal party of using this railroad as a matter for electioneering, he said: "Surely my hon. friend will not begrudge them (the Conservative party) just one election on this railway." This appears to be the key to the whole situation with regard to the cancellation of the Guysboro contract. The object of the delay was to use it as an election kite at the next election. This may be all very well,

but I have my opinion about the judgment of men who would attempt in the County of Guysboro to use this railway as an election kite after publicly announcing that such was the intention.

Another man who attempted to set up a defence was the Member for Digby, Mr. Jamieson. He is the gentleman who propounded that marvellous argument in regard to markets for fish in connection with the reciprocity debate. I had the pleasure to listening to his argument in which he proved, to his own satisfaction at least, that the American market for fish was a three million dollar one, and the Canadian market was a ten million dollar one, while the fact is that the fish produced in the United States in 1910, the year he was dealing with, amounted to sixty-one million dollars and they had imported over thirteen million dollars worth besides, while Canada had produced twenty-nine million dollars worth of fish products, of which they had exported over fifteen million dollars worth. Mr. Jamieson's argument in connection with the Guysboro Railroad was about as sound as it was in connection with Reciprocity. It consists chiefly in congratulating the Government upon having attempted to do great things for the port of Halifax, and in accusing the Liberals of being in a much greater hurry now than they had been for the past fifteen years. No answer to such a defence is necessary, it is simply absurd.

The next defence was that of Mr. F. B. McCurdy of Halifax, who argued that the Government should have more information, and that it was dangerous to enter into such an expenditure without full knowledge of the facts, while everybody knows that there was abundant information on the subject. As far as surveys went, Mr. Cochrane himself had admitted that they were sufficient.

The next man who attempted to defend the Government's action was Mr. Cochrane himself. In fact, he was the chief spokesman and it is interesting to note the twisting, squirming, and dodging of this hon. gentleman. He said that the Government required more information with regard to conditions and he wanted evidence to justify the construction of the road. On Jan. 18th, 1912 he enunciated the principle that this road if it were built must pay interest on the capital expenditure.

Mr. Graham, his predecessor stated the Liberal position in the following words:

"What I want to say, and say strongly is this: While we are aiding and building railways in the West—and properly so; it is our duty to give the people whom we are bringing into this country railway accommodation—we ought not to forget that in the Eastern part of Canada we have families who have been there for many generations and who have no railway but the trunk line of the Intercolonial Railway; and unless other railways are to be allowed to come in and take possession of these branch lines and build others, it is the duty of the Government to see to it that the people of Eastern Canada have proper railway accommodation. If in doing so they can make a profit, well and good; but the making of a profit by building or leasing these lines ought to be the second consideration and the accommodation of the people the first."

These two statements represent the principles of the two parties since 1911, and it would not be difficult to decide which is in the interests of Nova Scotia.

On February 1st, 1912, another twist was taken by Mr. Cochrane when he was cornered as to his reasons for abandoning the Guysboro branch. Then he said he wanted more surveys, while he brought down in the estimates the sum of \$85,000 to pay for surveys already made. He wanted more surveys to find out where the road should go, and this in further contradiction of the position taken in regard to surveys on Jan. 22nd, 1913 when he declared that the former surveys were sufficient, in the following words:

"The Minister of Railways and Canals investigated this matter of the branch line from Sunnybrae to Guysboro, and after discussing it fully with the engineers it was ascertained that the preliminary surveys were sufficiently complete to determine the feasibility of the line, that no further surveys would be required until it was ordered by the Government that the line should be constructed."

That was his definite statement on Jan. 22nd, 1913. On the same day he enunciated a new principle. He

saw no other way of escaping from the criticism which the stoppage of the work had evoked, and he then declared that he wanted to know more about the traffic. That seemed to be the last hole that he attempted to get out of, and I propose to block that one. I will give some facts with regard to the possible traffic, and I will further say that if the Minister of Railways and Canals had made enquiry he would have found that experts had gone over the line and investigated the question of traffic, and that all the facts were available. It is quite clear that this was but another subterfuge.

FACTS ON TRAFFIC.

Experts have gone over this route twice and reported on the traffic. Messrs. Archibald and Donkin, both experienced railway men went over the route some years ago, and made a report on the question of traffic from which I propose to read a few extracts. In connection with the report I desire to refer the hon members to a map which I have had prepared showing the fishing grounds in proximity to the southern terminus of the road and its suggested extensions to Canso, also the proximity of the Pictou coal fields to the Northern terminus of the route. In their report Messrs. Archibald and Donkin said:

"The writers of this report are both familiar with the districts now served by existing railways in Nova Scotia, Cape Breton, and the adjacent Province of New Brunswick and Prince Edward Island. They have no hesitation in stating that hundreds of miles of these roads cover territory that does not compare in population, wealth, and sources of traffic with the country it is now proposed to open up with this line. An examination of the map enclosed with this report will show that Eastern Halifax, the southern portion of Pictou and Antigonish and practically the whole of Guysboro counties are at present without any railway facilities whatever. The fertile valleys of the Musquodoboit and St. Mary's rivers have a large and thrifty population of farmers and lumbermen. The flourishing gold mining industries at Goldenville, Isaac's Harbor, and

"many other places in these coun-
 "ties give employment to a great
 "number of miners. The fishing
 "industries along the southern
 "shore also afford profitable oc-
 "cupation for labor, and are suf-
 "fering from want of proper rail-
 "way facilities. The lumber in-
 "dustry is also of great import-
 "ance and has reached its utmost
 "economic development without
 "further railway facilities.

"At present the country between
 "Guysboro and Wyse's Corner is
 "dependent upon connection with
 "the I. C. R. and its present
 "points. For instance the people
 "of Isaac's Harbor, Goldenville
 "and Sherbrooke make their near-
 "est connection at Antigonish—
 "from 50 to 60 miles; those at
 "Sheet Harbor Liscombe, and Sal-
 "mon River at Hopewell or New
 "Glasgow, about the same dis-
 "tance; those in the Musquodo-
 "boit and Stewiacke valleys at
 "Truro, Brookfield, and Shuben-
 "acadie, from 20 to 40 miles.
 "This applies to the bulk of the
 "freight as well as the passenger
 "traffic. In another portion of
 "this report, reference is made
 "to the fertile value of the Mus-
 "quodoboit and St. Mary's val-
 "leys. Excepting the Annapolis
 "Valley, these are the equal of,
 "and will compare favorably with
 "any other agricultural district
 "from a standpoint of prospec-
 "tive traffic. Special mention
 "may be made of Lochaber and
 "Argyle in Antigonish Co., and
 "the Salmon River Valley, Guys-
 "boro Interval, Manchester, and
 "Boylston in Guysboro County.
 "These districts would yield as
 "much local traffic as corres-
 "ponding districts along the I.
 "C. R. from Truro to Mulgrave.

"GOLD MINING. Of all sourc-
 "es of traffic in sight it would
 "appear to us that the gold min-
 "ing industry occupies first place
 "It has now arrived at that stage
 "of development where railway
 "connection with the outside
 "world is almost absolutely ne-
 "cessary.

"FISH TRADE. Good prospects
 "for carrying fish.

"TIMBER. Good prospects for
 "lumber close to the railway.
 "Hardwood has scarcely been
 "touched. This is an at-
 "tractive item of traffic.
 "Much remaining soft wood which
 "cannot be steam driven, and
 "must be moved by rail.

"TOURIST TRAFFIC. This
 "route would command its full
 "share coming to Nova Scotia."

"As an illustration of how
 "much importance is attached to
 "heavy traffic territory by rail-
 "way managers it might be well
 "to direct your attention to the
 "gold and coal mining industries
 "of British Columbia. It is only
 "about five years since develop-
 "ment began in the southern dis-
 "trict of that Province. Five or
 "six years ago it was a great
 "wilderness, now it has from 400
 "to 500 miles of first-class rail-
 "way through a country where
 "the cost of construction is prob-
 "ably double that of the line
 "which is the subject of this re-
 "port, and perhaps the mining
 "districts served are not greater
 "in extent and value than those
 "that will be tributary to this
 "proposed railway."

In addition to this there was a re-
 port made by Mr. Louis Whitman, C.
 E., in 1908, with reference to this
 very branch. Mr. Whitman's report
 contains the following:—

"Ferrona Junction to Country
 "Harbor 64 miles. Route—Nova
 "Scotia Steel line to Sunnybra.,
 "East River St. Mary's to Mel-
 "rose, thence via Country Harbor
 "Cross roads and down East side
 "Country Harbor. Population dir-
 "ectly on line including Ferrona
 "6680. Population reached by
 "coach from Melrose 2005. There
 "would be other shore population
 "that this railroad would serve,
 "so that we may figure on the
 "population being an average of
 "140 per mile. On the same basis
 "as used in the estimate of prob-
 "able revenue between Halifax
 "and Glengarry this would be:
 "Revenue from local population
 "for passengers and freight traf-
 "fic, 140 per mile at \$7.00 per
 "head \$980.00. Operating expens-
 "es, one freight train, and one
 "passenger train each way daily
 "at \$1 per train mile, 313 days
 "at \$4. equal 1256. Balance to
 "be made up equal \$276.00

"Other sources of revenue would
 "be chiefly lumber and fish, with
 "the possibility of Country Har-
 "bor developing into an ocean ter-
 "minal for through freight. Coun-
 "try Harbor is well situated for
 "carrying on a large lobster and
 "fresh and salt fish business, and
 "this would undoubtedly follow
 "as soon as railway communica-

"tion was established. This would
 "be all long haul business for
 "the railway. The lumber output
 "on the line would average 2,000
 "cars per annum at least, or
 "about \$200 per mile. In the min-
 "ing line the Country Harbor end
 "of the line touches the best gold
 "mining districts of Nova Scotia,
 "and large operations are carried
 "on at the present time. These
 "mines would undoubtedly be a
 "large source of revenue in the
 "way of freight and passengers,
 "with the possibility of handling
 "ore or concentrates from new
 "mines to the present plants. The
 "only other mining interests are
 "at Sunny Brae where there are
 "deposits of iron ore and lime-
 "stone at one time operated in
 "connection with the Ferrona
 "Blast Furnaces. Putting the fish
 "and lumber business down at a
 "low figure and omitting any
 "mining possibilities it will be
 "safe to figure on a revenue of
 "\$350 per mile in addition to that
 "stated above, making probable
 "excess revenue as follows:

	per mile
"Probable revenue from local population... ..	\$980.00
"Probable revenue from " mails..... ..	50.00
"Probable revenue from " other sources..... ..	350.00
	<hr/>
	\$1,380.00
"Operating expenses... ..	1,256.00
	<hr/>
"Excess revenue..... ..	124.00

"To this can be added tourist
 "travel and other possibilities
 "that cannot be estimated, and
 "a yearly increase of at least five
 "per cent. of the traffic shown
 "above, which leads to the reas-
 "onable conclusion that this sec-
 "tion of the line would yield a
 "fair return for a line not cost-
 "ing over \$20,000 per mile, in-
 "cluding the subsidies. No men-
 "tion has been made of coal
 "freights and a large traffic could
 "undoubtedly be worked up, as
 "Country Harbor is only sixty-
 "eight miles from the coal fields
 "of Stellarton, and would be an
 "ocean port equal to Halifax if
 "provided with dock accommoda-
 "tion. In order to get at the pos-

"sibilities of developing a fresh
 "fish freight from Country Har-
 "bor we can take the Canso trade
 "via Mulgrave as a basis. The
 "Canso fish freight from 1896 to
 "1907 was as follows:

Year	Tons fresh Fish	Value	Freight pd.
1896	300	73,000.00	6,460.00
1897	987	77,600.00	9,596.00
1898	1415	99,050.00	11,312.83
1899	1353	94,710.00	14,443.00
1900	1450	100,000.00	16,500.00
1901	1400	133,000.00	19,760.00
1902	1800	123,000.00	18,720.00
1903	1600	112,000.00	16,840.00
1904	1700	127,000.00	17,680.00
1905	2201	164,070.00	23,032.06
1906	3154	220,780.00	29,063.00
1907	3156	220,920.00	27,417.70

"The fresh fish business has
 "only been carried on for ten
 "years at Canso, and has increas-
 "ed from 990 tons to 3,156 tons,
 "and will be increased to 5,000
 "tons inside of four years if the
 "business is pushed at all. The
 "fishing is not carried on at Can-
 "so during the Lenten season
 "when the demand is greatest and
 "on the rest of the coast in the
 "vicinity of Country Harbor, the
 "population is idle from the first
 "of December to the first of Ap-
 "ril. At the present time the Mon-
 "treal markets and those of the
 "West are supplied during the
 "Lenten season from Gloucester
 "with fish caught on Sabie Island
 "and Nova Scotia banks only two
 "to four hours sail from Country
 "Harbor, and from two to four
 "days' sail from Gloucester.

"It may be noted that the crews
 "of the Gloucester vessels are
 "composed chiefly of Nova Sco-
 "tians, so that to transfer this
 "fresh fish business to a port like
 "Country Harbor would keep our
 "own people at home. It will be
 "seen that with rail communica-
 "tion, 64 miles from Country
 "Harbor to Ferrona Junction,
 "fresh fish could be
 "landed in Montreal before the
 "American vessels land at Glou-
 "cester, and consequently a bet-
 "ter price can be obtained, and
 "our fish would get the prefer-
 "ence. The following figures will
 "give an idea of the capabilities
 "of the fresh fish business on the

"coast from Canso to Country Harbor.

Place.	Probable shipment of fish at once.	Probable shipment after five years.
Country Harbor.. . . .	200	2,000
Isaac's Harbor.. . . .	1,000	3,000
Goldboro.. . . .	1,000	4,000
Drum Head.. . . .	500	3,000
New Harbor.. . . .	500	2,000
Little Harbor.. . . .	100	500
Tor Bay.. . . .	200	2,000
	<hr/>	<hr/>
	3,500	16,500
	<hr/>	<hr/>
Larry's River.. . . .	500	3,000
Charlos Cove.. . . .	200	1,000
Cole Harbor.. . . .	300	2,000
Port Felix.. . . .	500	4,000
White Head.. . . .	1,000	5,000
	<hr/>	<hr/>
	2,500	15,000
	<hr/>	<hr/>
Queensport.. . . .	1,000	4,000
Dover.. . . .	1,000	4,000
Canso.. . . .	5,000	15,000
	<hr/>	<hr/>
	7,000	23,000
	<hr/>	<hr/>
Total	13,000	54,500

The figures are as follows:

Year.	Tons shipped.	value.	Railway charges.
1907.. . . .	3156	\$220,920	\$27,417.70
1908.. . . .	3372	235,900	31,644.03
1909.. . . .	2371	191,170	26,685.55
1910.. . . .	3431	240,100	36,022.58
1911.. . . .	4110	308,250	45,179.11
1912.. . . .	4238	317,850	45,730.60

I now propose to give a few further facts with regard to the fishing business, and would ask your particular attention to the blue print map to which I previously referred. This map shows that as a fishing base, taking the close proximity to the Banks and the whole situation from Country Harbor to Canso into consideration, with reasonable facilities for marketing the product, it is the best fishing base on the continent of America today. It is almost impossible to conceive a limit to what might be the possibilities of that section of Nova Scotia if it had a chance by way of railway facilities and markets. But projecting far into the ocean, cut off from railway communication, it is absolutely tied up, and any reasonable development is rendered impossible under present conditions. In the course of the debate in this House a few days ago, it was noticeable how very little was said in the interests of the fisheries. The Hon. Member for Lunenburg, Mr. Margeson, representing a fishing County, wanted cheap telephones for the farmers, and a number of other utilities for other people, but he never for a moment considered the needs of the fishermen. I wish the hon. gentlemen of this House to remember that practically one-quarter of the population of Nova Scotia is represented by fishermen. Over twenty-eight thousand men are engaged in the fishing business, producing approximately one-third of the total fish product of Canada. The County of Guysboro is one of the great fishing Counties, in spite of everything against it. These great fishing banks, which are situated in such close proximity to our coast, are one of the great gifts of nature to our Province. What the wheat fields are to the provinces of the West, these fishing grounds are to the Province of Nova Scotia. They are our one great asset, and it is remarkable how little has been done to develop them. Now I do not consider that the railroad in question goes far enough. It should naturally go from Ferrona down to the deep water of

"There is no fishing done during the Lenten season when the demand is largest. The trade is changing rapidly from salted to fresh fish. The other prospects of traffic would be fresh and salt fish and lobsters from Guysboro and Canso (the largest fishing centre in Nova Scotia), gold mines at Forest Hill and the possible development of iron ore deposits at Salmon River Lake, together with a certain amount of summer tourist travel. From which, with the usual increase of 5 per cent. in local traffic it can be assured that this branch would pay to operate on a one train each way per day basis."

COUNTRY HARBOR TO CANSO AS A FISHING BASE.

That is part of Mr. Whitman's report. In connection with Canso you will observe that he estimated that the fish products of Canso would increase from 3156 tons to 5000 tons in four years. I now give the actual figures of increase, which show that the increase was nearly up to what Mr. Whitman had estimated, and that without any railway accommodation.

Country Harbor and Guysboro, but its ultimate destination should be Canso, passing Isaac's Harbor, New Harbor, Larry's River, Charles Cove, Port Felix, White Head, and Dover. This is a perfectly feasible route. Surveys have been already made from Country Harbor to White Head, and under the direction of the British Admiralty. White Head was surveyed and reported to be a harbor equal to that of Halifax. There are great natural harbor facilities in Country Harbor: Whitehaven is equal, perhaps, to any harbor in the world; there are numerous small fishing ports in addition; and the port of Canso, projecting out into the sea, is right at the door of the fishing grounds, and capable of unlimited development so far to bring untold prosperity to that section. It is inconceivable to me that proper appreciation of the whole situation has never been comprehended by the men having to deal with the matter.

MR. MARGESON: Does my hon. friend take any stock in what the British Admiralty said?

MR. TORY: I would accept the opinion of their engineers on a port.

MR. MARGESON: My hon. friend's Dominion member does not take much stock in them.

MR. TORY: I would trust them in regard to a report on the cost of Nova Scotia

MR. TANNER: Do I understand my hon. friend to say that the route has been laid out by the British Admiralty.

MR. TORY: No. It was a survey under Mr. Alex. McNab, C. E., made in connection with the Nova Scotia Government many years ago.

MR. TANNER: Is the hon. gentleman suggesting that route?

MR. TORY: I am, in addition to what has already been projected. I do not care who builds it, and I wish to say this, that if the resignation of my seat in the House would be all that would be required to bring the railroad to Guysboro, this House would have my resignation in three minutes. In view of the possibilities of development, as they appear to me, I would be willing to make any reasonable sacrifice in order that the thing so needed for Guysboro County should be brought to the people.

Now it is a well known fact that capital cannot be induced to undertake the development of the fish business without adequate railway facilities. In the absence of railways it

is hopeless for men to attempt to compete in this business with sections of the country where they have these facilities. To show what an important part railways play in connection with the development of the fish business, I wish to refer to the port of Grimsby, which is situated in relation to the English fisheries, much the same as Country Harbor, White Head and Canso are situated in relation to the fisheries of this Province. In this connection I wish to quote a paragraph from the Fish Traders Gazette, of July 29th, 1911, which reads as follows:

"It was indeed, the advent of the railway which gave the impulse to the development of the port and of the fishing, for in the year 1834 the fish brought into Grimsby only amounted to 450 tons, whereas it now borders upon 200,000 tons. But Grimsby is much more than a fishing port—a fact which some of us are inclined to forget. As with all other great ports which are primarily fishing places, the fishing brought in its train a host of allied industries and developed an oversea commerce. How great the latter has become is indicated in the figures, which show that in 1855 the total value of the goods exported amounted to \$1,405,146, while in 1910 the value had risen to \$18,956,924. There is little doubt that the opening of the Immingham Dock will be followed by a further great expansion of business. The dock will have very special facilities for shipping, not the least being that it may be entered at any hour of the day or night and at any state of the tide, with direct transhipment from ship to rail, and rail to ship by the most speedy and economical methods."

This shows the possibilities of the fish business, and it is in this instance attributed to the advent of the railway to the port of Grimsby. I have another quotation here on the same subject, written by Sir George Doughty, in the London Daily Mail. I read this for the purpose of impressing the matter upon the minds of hon. gentlemen, who perhaps have not thought much about the possibilities of our great fisheries. He says:

"It is one of the most remarkable chapters of progress recorded in connection with any town

"in Great Britain. Indeed few American cities can rival Grimsby in its continual growth. There are men living still at Grimsby who can remember when there were only two short streets, when there was no gas, no sanitation, no police, no docks, and an extremely poor population of fewer than 6,000 souls. To-day Grimsby boasts of a population of upwards of 100,000 people, with more than 60 miles of streets, and last year was the busiest Grimsby has ever enjoyed. The greatest development of Grimsby's trade is that of fish. The town has risen from practically nothing in a few years to the proud position of the largest fishing port in the world. It has an unrivalled position on the face of the North Sea. The marvellous growth of the fishing trade is best illustrated by the necessity of the expenditure of half a million of money on new fish docks, and a late bill has been pressed through Parliament and the dock extension is to proceed at once. Such is the congestion of the trade that no fewer than 3,340 ships came last year to unload their cargoes at the market and could not find accommodation there. They had to lay over for one day or two days in order to get a berth. The growth of the trade was so rapid that it was most difficult to keep pace with it. In 1871, 28,000 tons of fresh fish were landed at Grimsby in 1881, 53,460 tons; in 1891, 73,650 tons; in 1901, 112,000 tons; whereas in 1911 this great trade had risen to 212,000 tons of fresh fish, and last year the trade was even more."

CANCELLATION PROCEEDINGS INDEFENSIBLE.

In summing up, I regard this transaction, that is the cancellation of the contract for the building of the Guysboro railway, and stopping the progress of the County, as one of the most indefensible proceedings in the history of this country. I do not care from what standpoint it is regarded, or upon what ground it is based. Take it upon the lowest ground possible, that of politics, and I am prepared to say that the proceeding is absolutely indefensible. I

know of nothing that could have done the Conservative Party in the County of Guysboro more harm, than the policy that had been entered upon. If I viewed this matter from a purely political standpoint, I would say to the Conservative Party: "Go on just as you are going, for by your course you will make the County of Guysboro Liberal to the day of judgment."

MR. MARGESON: Do not be too sure.

MR. TORY: The Conservative Party are simply following out the policy that has caused their defeat in the County of Guysboro for so many years. During the eighteen years the Conservative Party was in power at Ottawa, what happened to the County of Guysboro? During fourteen years of that period the county never once appeared in the estimates, although the people had been asked to pay, pay, pay, into the Federal Treasury.

MR. MARGESON: What happened under Liberal rule?

MR. TORY: I will tell the hon. member, and perhaps he will be sorry he asked that question. Whether the Liberals did much or little they at least tried to do something. These are some of the things they did:

1. They subsidized boats to the amount of \$16,000.00, made up as follows: Canso to Mulgrave, \$6,000.00; Guysboro, Queensport and Mulgrave, \$5,000.00; and Halifax to Guysboro, \$4,000.00.

2. They dotted the coast for 150 miles with gas, whistling and other buoys, of immense value to fishermen and vessels. What these buoys cost, I do not know.

3. They built lighthouses at Marie Joseph, Liscomb, Sonora, Beckerton, Fisherman's Harbor, Island Harbor, Charles Cove, Cole Harbor, Port Felix, Canso and Guysboro.

4. They built public wharves at Ecum Secum, Country Harbor Isaac's Harbor, Beckerton, Cole Harbor, White Head, Liscomb, Spanish Ship Bay, Port Felix, Dover, Melford and Mulgrave, which cost approximately \$200,000.00.

5. They built breakwaters at Port Hilford, Drum Head, New Harbor, Larry's River, Charles Cove and Half Island Cove, which cost about \$140,000.00.

6. They established lobster hatcheries at Canso and Isaac's Harbor.

7. They built reduction works at Canso, costing \$30,000.00.

8. They built public buildings at Canso and Guysboro, costing over \$50,000.00.

9. They placed fast freight trains between Mulgrave and Montreal, with refrigerator cars, thus reducing rates from \$2.50 to 38 cents per 100 pounds, and they paid one-third the express-charge in order to assist in sending fish to Western points.

10. They voted \$1,000,000.00 for the extension of the Intercolonial Railway into the County.

That is the answer to the question of my Hon. friend from Lunenburg as to what the Liberal administration did for the County of Guysboro. Contrast it with the eighteen years of Conservative administration, contrast that with the action of the present Conservative administration. Apart from their action in regard to the railway, I will cite another instance in connection with the fishermen of New Harbor. What happened in this case? New Harbor, is an unprotected harbor, and during storms the fishermen had in olden days the greatest possible difficulty in saving their boats from being smashed up on the shore. The Government of Sir Wilfrid Laurier undertook to remedy this condition. They built a breakwater for the purpose of protecting the boats, with the result that there was a splendid development of the fish business at that Harbor, but the breakwater did not extend sufficiently far into the sea to give the protection needed for the boats. Consequently a vote of \$10,000 was placed in the estimates for the further extension of this breakwater but when Mr. Borden came into power, notwithstanding the fact that the boats of Conservatives were protected just the same as the boats of Liberals, this magnanimous Government immediately cancelled the vote and abandoned the construction undertaken by the Liberal administration for the protection of the fishermen of New Harbor. You tell me this is good politics. I am prepared to say that this is a piece of almost inconceivable political blindness.

DR. BISSETT: Was that the same Mr. Borden who promised free pills to the fishermen?

MR. TORY: It is the same gentlemen. In his manifesto to the people of Halifax he never mentioned breakwaters, lobster hatcheries, or reduction plants, but he said that he

would give the fishermen free medicine, and the remarkable thing is that the first dose of pills has not yet arrived.

I have shown, in answer to my Hon. friend from Lunenburg just what the Liberal administration had attempted to do. In brief it was a development of the fishing facilities of the whole coast of the County preparatory to giving railway facilities for which the money was voted. Can you wonder that the people are discouraged and disheartened, when they had within their grasp the very possibilities of this great development, and now both Conservatives and Liberals are called upon to suffer the loss of these great possibilities? Practically half the people of the County are Conservatives, many of whom have fought splendid fights for their party in the County, and what they now get from that party are blasted hopes and destroyed opportunities.

FROM A FINANCIAL STANDPOINT

But this transaction is not only indefensible on political grounds, it is indefensible also on financial grounds. The fishermen, the farmers, the lumbermen, and all other citizens of Nova Scotia have been paying into the federal treasury for forty-five years, and what have they been getting in return? I have prepared a table showing the total expenditure of Canada since 1868, the proportion due Nova Scotia, the amount paid to Nova Scotia by way of subsidies, and the amount still to be accounted for. The totals, are as follows: Canada's total expenditure, \$2,361,002,470.00; proportion due Nova Scotia on the basis of population, \$215,198,299.00; amount paid to Nova Scotia by way of subsidies, \$20,574,872.00; amount to be accounted for, \$194,623,427.00. This is Canada's obligation to the Province of Nova Scotia, less any such items as may have been expended in the Province.

On the same basis I have made a calculation of the amount due to the County of Guysboro. Of this balance to be accounted for of \$194,623,427.00, the proportion due Guysboro County on the basis of population would be \$7,722,128.00, less any such amounts as had been expended in the County during the period under consideration. Had the policy

of the Liberal administration been carried out as was intended, a large proportion of this debt would have been liquidated, but as the account stands to-day, there are millions of dollars due, not only to the Province of Nova Scotia, but to the County of Guysboro, on account of taxes collected and credit pledged for these enormous expenditures throughout the Dominion of Canada. Based, therefore, upon financial grounds, the transaction is wholly indefensible.

INDEFENSIBLE ON MORAL GROUNDS.

This proceeding is indefensible on moral grounds. That may be considered a remarkable position to take, but everybody knows that there have been promises made repeatedly, pledges by both parties that railway facilities would be given to Guysboro as soon as possible, and I ask is there to be no morality in politics? One of the most humiliating things I have found in politics is the change of the estimate of the word of a man in public life as compared with the word of that same man in private life. Are we always to be rated simple politicians? Is there to be no morality, in connection with the public service of this country? But further, apart from the question of broken promises, if there is anything that is particularly condemned in sacred literature, it is the oppression of the weak and the robbery of the poor. The treatment of the County of Guysboro in this instance is nothing short of oppression and robbery. It is but another confirmation of the words of scripture; Let favor be showed to the wicked yet will he not learn righteousness: in the land of uprightness will he deal unjustly."

INDEFENSIBLE ON ECONOMIC GROUNDS.

This proceeding is also indefensible on economic grounds. We are con-

stantly complaining of the high cost of living, yet here is the opportunity for the development of a great natural industry, capable of supplying thousands of tons of cheap food of the highest value, but for reasons most reprehensible, as I have shown this industry is crippled and the people forced to leave the country.

CONCLUSION.

In conclusion I desire to say that while I do not wish to be unduly severe, I must confess frankly that I regard this transaction as a piece of diabolical political treachery. I regard it as one of the worst acts of political hypocrisy ever perpetrated in this country, and as deliberate robbery of people who could not defend themselves.

I appeal to every fair-minded Hon. gentleman in this House to vote for the resolution as a protest against such iniquitous proceedings.

I appeal to the citizens of Halifax who are within the sound of my voice to make such protest as may be possible under the circumstances, thereby making some amends for previous selfishness.

I appeal to every fair-minded citizen of this country who now become possessed of the facts, to also protest against this unwarranted and unjust treatment of sections of the Province of Nova Scotia.

I speak, not only on behalf of the Counties of Guysboro, Pictou, and Victoria, but I speak on behalf of reasonable decency, justice and fair play in connection with the political business of this country.

I leave my case in the hands of the Hon. gentlemen of this House, and also in the hands of the people of this country. I now move the Resolution previously read, seconded by the Hon. member for Victoria, Mr. Buchanan.

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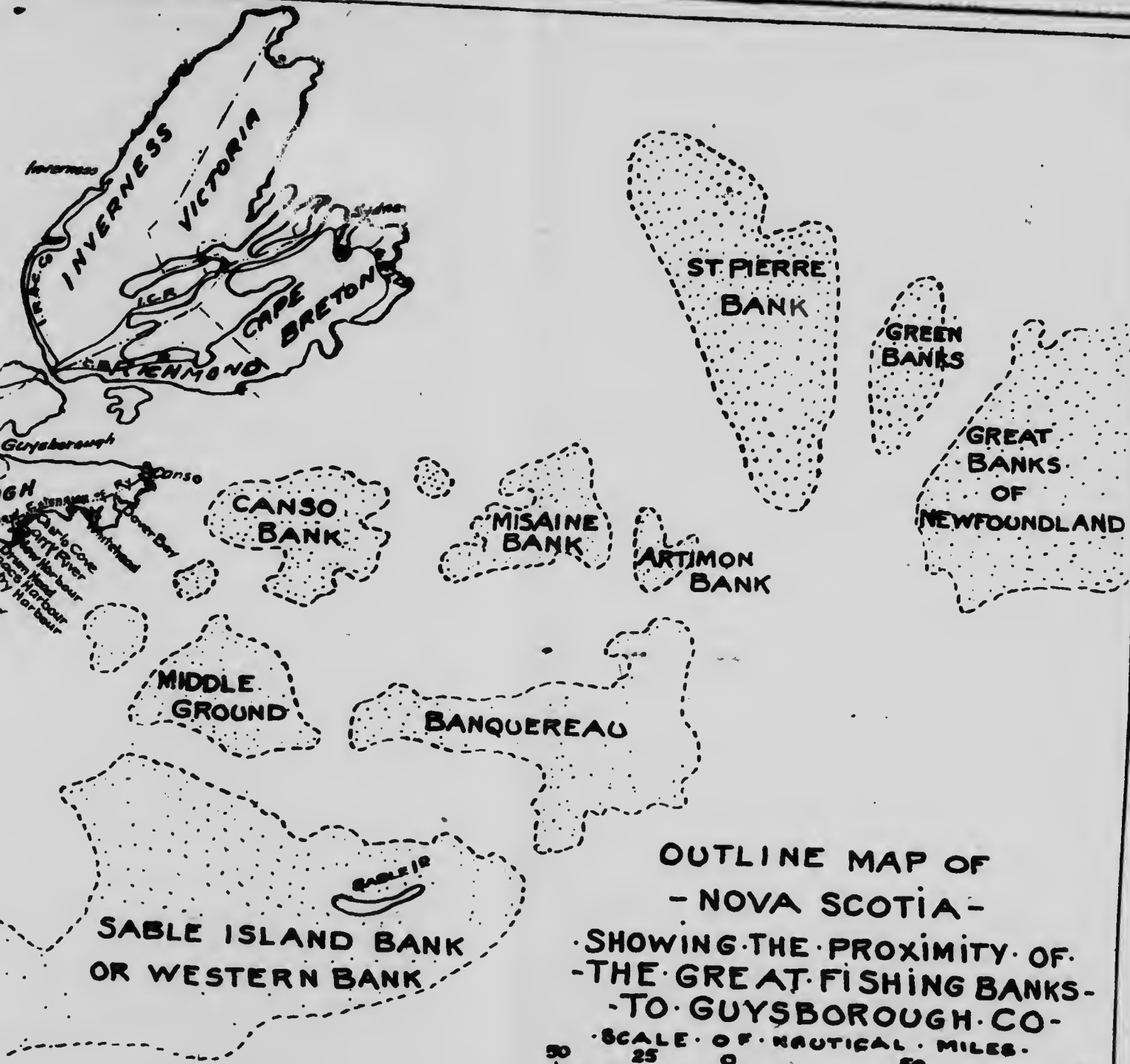
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OUTLINE MAP OF
 - NOVA SCOTIA -
 SHOWING THE PROXIMITY OF
 THE GREAT FISHING BANKS
 TO GUYSBOROUGH CO.

SCALE OF NAUTICAL MILES.
 50 25 0 50 100

PREPARED FROM MAP OF SURVEYOR GENERAL OTTAWA

