

no towns have been formed. Some lumbering has been carried on but this is almost at an end and the lumbering operations will soon cease. The Canada Atlantic Railway will therefore only be used mainly as a through grain carrying route. But as a grain carrying route it will be more desirable to utilize the line of communication between Midland and Peterborough from a point which is common to the Canadian Pacific Railway and to the Grand Trunk Railway, utilizing all the ports of the Georgian bay which have had large expenditures of money made upon them and at which there are towns of very considerable importance.

Mr. R. L. BORDEN. Is it proposed that the government shall engage in local business on the line between Montreal and Parry Sound?

Mr. EMMERSON. I think I have fulfilled my promise in making a general announcement to the House as to the policy of the government. On Friday, when the Bill is introduced, I will explain all the details and give my hon. friend the information which he asks.

Mr. R. L. BORDEN. Perhaps the hon. gentleman can answer one or two other matters—just as he sees fit—if he is not prepared to answer now he can give us the information on Friday.

Mr. EMMERSON. I would prefer to do it on Friday.

Mr. R. L. BORDEN. If the hon. gentleman were ready to furnish the information now we could digest it a little better by Friday. The question of whether or not the government should do local business or only purely through business ought to be one of the first things to engage attention before entering upon a project of this kind. The hon. gentleman says that the terms of every description are to be left to the Railway Commission.

Mr. EMMERSON. The running arrangements; the same as respects other roads.

Mr. R. L. BORDEN. What is the scheme exactly? Is it that the government will run its own trains over the line from Montreal to Parry Sound; is that the idea?

Mr. EMMERSON. That would be the idea.

Mr. R. L. BORDEN. Is it proposed to establish divisional points and keep train crews at different places, and operate the road to all intents and purposes as if it were a government road?

Mr. EMMERSON. So far as the Intercolonial Railway trains are concerned.

Mr. R. L. BORDEN. Then you will have to do pretty much everything you would have to do if you had bought the line outright and were operating it.

Mr. EMMERSON. I would prefer to answer these questions later. The regulations are fixed as to the working of trains in respect of other roads, and it would not necessarily be that the Intercolonial Railway would keep certain officials along the line. It may be that the Grand Trunk Railway will operate it in so far as the despatching of the trains is concerned. I do not think there will necessarily be two sets of officials, but that is all left to the commission.

Mr. R. L. BORDEN. I do not see how everything can be left to the commission because the commission cannot make a bargain for the two parties without knowing what the ideas of the parties are. You cannot transfer all the responsibility to the Railway Commission; there must be some basis of an agreement for them to go on. I would suppose that these matters must have engaged the attention of the government before they decided upon a policy of this kind. As I gather from the hon. gentleman, it will be necessary to establish divisional points and to operate the road as if it were actually a railway leased to or owned by the government. What special advantage is there in an arrangement of this kind under which we must divide rates between Montreal and Parry Sound? What is the special advantage of such an arrangement, over an arrangement by which the government would acquire the line from Parry Sound to Halifax and operate it as its own line? We were told by the Prime Minister when he spoke in Toronto, that the objection to the government acquiring this very line was that the whole system of the operation of government railways is a vicious one. Are we to adopt that vicious system between Montreal and Parry Sound, or, does the Minister of Railways suggest that we are to adopt some system which does not merit the appellation conferred on it by the Prime Minister when he was justifying the refusal of his government to extend the present system of government railways. The right hon. gentleman assigned another reason—and it concerns a matter which must certainly have engaged the attention of the government before entering upon this policy—that reason was, that if the Intercolonial Railway were extended to Parry Sound it would be necessary to employ an army of canvassers to gather traffic in the west. The arrangement which the Minister of Railways now proposes is, to operate the Intercolonial Railway from Parry Sound to Halifax in competition with the Grand Trunk Railway. The Grand Trunk Railway will have its connections in the west and it will have a great many officials canvassing for traffic for that railway, a work into which the Prime Minister thought the government could not very well enter. What expectation has the government of any considerable traffic coming over this line if it does not send into the west men to canvass