

these statements were doubly reprehensible because they were made on the eve of the time when the government proposed to challenge the verdict of the electors on the great issue we are now discussing.

Mr. Speaker, the amendments which are made in the contract with the Grand Trunk Railway Company are very far-reaching. A local journal has summarized the amendments which the government are seeking to make in the contract of last year. The matter is put tersely in that journal, and I will take the liberty of presenting its views, which are my own, to the House:

1. Three years' additional time for the syndicate to build the road.
2. Government liability for millions more of money in cost.
3. Government relinquishment of the right to foreclose on the road should the company default on its bonds.
4. Increase to five years from three of the period after default in which the government shall not act at all.
5. Fifty years of additional running rights for the Grand Trunk on the government-owned portion of the road.
6. Agreement by the government at the end of the first 50 years to buy all branch lines the Grand Trunk Railway does not want, and to leave to the Grand Trunk all it does want.
7. Abandonment by government of the stipulations that the Grand Trunk should keep all the common stock in its own hands.

If these amendments are made the contract will be changed in many important respects. These are the amendments which the Grand Trunk Railway Company demanded from the government, and they refused to put up the deposit contemplated and provided for in the Act of last session, and they did not put up a deposit until the government had agreed to these amendments and had given them assurances that parliament would be called to put these amendments into effect. Sir, that is the reason why we are in session here to-day. The president of the Grand Trunk Railway did not speak so widely of the mark when he said that the parliament of Canada had been called to ratify the agreement which the Grand Trunk directors had made with the government in December last.

But let me say a few words now with regard to the cost of this enterprise. Last year we were told by the Prime Minister that the sum total to be paid by the government in connection with this road from Moncton to the Pacific ocean would be in the neighbourhood of twelve or thirteen millions of dollars, not a cent more. And the Minister of Finance told us that \$13,725,706 invested at 3 per cent payable half-yearly would pay every cent of obligation we assumed under this contract. The Minister of Finance of Canada made the declaration, Mr. Speaker, that every cent of obligation the people would assume under this contract was less than

thirteen and three-quarters millions of dollars. I am sure it will be agreed by hon. gentlemen on both sides of this House that whatever expenditure, whatever obligation, whatever responsibility is not assumed by the people of Canada in connection with this enterprise must and will be assumed by the Grand Trunk Railway Company and the Grand Trunk Pacific Railway Company. We are responsible, let us say, for less than \$13,750,000. Then, the company must be responsible for the balance. But what does Sir Charles Rivers-Wilson, the president of the Grand Trunk Railway Company, say? He told the shareholders that the entire responsibility of the company under the agreement which they were discussing and which we are ratifying would be \$14,840,000. (In this calculation I assume that £1 is equivalent to \$5). This \$15,000,000, in round figures, is all that the Grand Trunk will require to guarantee for the construction from Winnipeg to the Pacific Ocean, including 4 per cent interest during the period of construction, estimated to extend over eight years. The road is to be 3,400 miles long. The government will build 1,900 miles of the road and pay the entire cost of construction with the people's money. We also guarantee three-quarters of the cost of the remaining 1,500 miles. The Grand Trunk Railway Company only guarantee one-quarter of the cost of that 1,500 miles. Yet, if we are to believe the authorities I have quoted, our liability will be only \$13,725,706, while the Grand Trunk liability will be \$14,840,000. Surely the statement of Sir Charles Rivers-Wilson proves two things. It proves—the absurdity, shall I say?—I do not like to use that expression in an offensive sense—but let me say that it proves that the declaration of the Minister of Finance has not been fully considered. It also proves that the estimates which have been made and presented to this House by the leader of the opposition are for all practical purposes absolutely correct, and that the expenditure in connection with this 3,400 miles of railway connecting the Atlantic and the Pacific oceans, will be from \$150,000,000 to \$175,000,000, and that the people of Canada will have to assume nine-tenths of the obligation of this vast expenditure.

Estimating the population of this country at 6 million people, what does that mean? If we are to become responsible for \$150,000,000 it means that every soul in Canada assumes an obligation of \$25. Is it possible that the people's representatives in parliament, is it possible that the parliament of Canada itself, will sanction a proposition under which we become responsible for \$25 per head of our population, and practically hand this road of 3,400 miles over to the Grand Trunk Pacific to operate for half a century, rather than assume a further li-

Mr. CLARKE.