

GRAND TRUNK PACIFIC LOAN—*Con.*

Armstrong, J. E.—*Con.*

Why should not the Finance Minister take \$10,000,000 of those bonds as security—5344.

Blain, R. (Peel)—5270.

Desires information as to the estimates made when this project was proposed in 1903—5270. It is important to know upon what data the present estimates are based—5271. If a proper estimate had been made the company would not be here asking for a loan—5274. Asks a list of the directors of the two companies—5493; and of the Townsite and the Construction Companies—5494.

Borden, R. L. (Halifax)—5189.

Asks the actual cost to the country for interest on this loan—5189. If it is a banking transaction, why any doubts—5190. Could not assent for a moment to the statement just made by the Finance Minister—5261. There is no doubt whatever as to what the contract was. Quotes the paragraph—5262. Quotes 'Hansard' as to statements made—5263. If that is so it was absolutely irrelevant for Mr. Hays to introduce the statement into his letter—5264. Calls attention to the provisions regarding the operation of the Moncton-Winnipeg section in the statutes and contract—5285. Quotes sections 2, 8, 20 of the agreement of 1903, and section 3 of the agreement of 1904—5286. Quotes sections 42 and 43 of the contract—5287. The fall of Quebec bridge absolutely what the G.T.R. would desire to secure trade for Portland—5288. Freight will be carried in the winter months to Portland, instead of a Canadian winter port—5289. The contract should be amended so as to prevent this. The question of pusher grades—5290. The grade on the Transcontinental is against eastbound traffic also—5291. The I.C.R. should be prepared to agree to equitable and reasonable division of the freight—5292. Should have a firm assurance that the interests of the people will be safeguarded—5293. The reply if it means anything means that the traffic must all go to Portland in the winter months—5295. The case is worse than I thought—5296. The Premier has a tender regard for the G.T.R. but not an equal one for the Canadian ports—5311. Meantime the traffic will go wherever the interests of the G.T.R. will take it—5312. Results of experiments made in 1904 in carrying grain by the I.C.R.—5313. Are the interests of the Grand Trunk to be always paramount?—5314. Traffic gathered in the west by a road built by the government going to Portland—5315. If the lease is framed on the statute it will not advance the position one iota—5316. The company have the option of leasing, there is no power to compel a lease—5317. The agreement of 1903 modified that of 1904—5332. They would dispose of more than \$12,000,000—5333. The security of that guarantee—5333—5½

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is a very remote one. No reason why stock should not be pledged—5344. If the assistance given by the G.T.R. is large, that given by the country is larger—5345. The common stock has already been issued, the preference remains—5346. The only remedy provided under the legislation of 1904—5347. The government and the Grand Trunk stand on the same footing—5348. Asks that the Bill remain in Committee—5349.

Burrell, Martin (Yale-Cariboo)—5327.

Asks concerning 80-lb. rails from the G.T.R. being used in construction—5327. Strange that we who have guaranteed thrice the amount cannot hold that stock as collateral—5335. Twice the Prime Minister has harked back to the parallel of the C.P.R.—5341. It becomes all the more necessary we should press for a reasonable amount of the stock—5342.

Crothers, T. W. (West Elgin)—5266.

Wants to ascertain whether the whole \$10,000,000 has been used so that there will be nothing left to continue the line—5266; and how much of the expenditure has been reported on by the engineers—5267.

Fielding, Hon. W. S. (Finance Minister)—5189.

Might have to pay 4 per cent, probably a shade less—5189. The rate should be made as near as may be to guard against loss—5190. Will seize the most favourable moment for making the loan—5191. We are quite as likely to borrow at a shade below four per cent as above 5192. A new item of expense added, about 1½ per cent for underwriting—5193. It would be materially less than 1½ per cent—5194. If we borrowed at 3½ and charge them 4 we would make a profit on it—5195. We will get the best terms we can in the money market—5196. We can only pay the money on the engineer's certificate that the work has been performed—5197. Better to issue the loan in the manner, for the term and on the condition that will give the best results—5198; for beginning to give engineer's estimates with a word of qualification—5199. What we want to have certified to us is that there is work to represent the money—5200. The audit of the Railway Department covers the total expenditure without any reservation—5201. We agree voluntarily to help them; it is not an amendment to the contract—5202. You cannot make a loan at a better rate than the conditions of the market warrant—5251. Exactly the same course as he is taking pursued in the case of the C.P.R. loan—5252. This loan is a fair business proposition and ought to commend itself to the House—5253. If the money is repaid at the end of ten years it can be used for public works instead of making a new loan—5254. A fixed definite rate of