

to the consummation of a bargain of this kind. I consider that it is right that the Government should come before the House now and fully explain this provision, and not come three or four years hence and ask for more aid. We propose that this is the last word in regard to financial aid; and so have made arrangements for this loan which will not cost the people one cent, and cannot help but return to them 4 per cent. interest on their money, instead of the 3 per cent. they are accustomed to receive from the bankers.

In the next following section there is provision for the ascertaining of deficits, should any arise during the first three years of the operation of the railway. This section amply explains itself. Then follow the Government covenants with the railway as to the timber, gravel and earth which the railway may take from Crown lands in connection with the construction of the road; there is also provided for the conveying to the railway of free right of way and free grounds for stations where such right of way or stations shall lie on Crown lands. These covenants are similar to other Government covenants with other railways.

Then there is the section referring to townsites. It will be noticed by reference to the Bill that the Government secures a one-third interest in all townsites as against the one-quarter interest usual under the terms of the other Acts.

Now, in regard to the use of the New Westminster bridge over the Fraser River. This structure is owned by the Province of British Columbia, and it costs a considerable sum of money to operate it. The Canadian Northern Railway, for the use of that bridge, will have to pay the same amount annually to the Government as does the Great Northern Railway. So, therefore, we may hope to have in four years, in addition to the \$20,000 paid annually by the Great Northern, the sum of \$20,000 annually from the Canadian Northern; and in addition to that I expect that before four years have gone by we shall be securing another \$20,000 per annum from the Northern Pacific Railway—~~and~~—and that will add a nice balance to the treasury.

Then, Mr. Speaker, provision follows for the guarantee of securities, though it is provided that in event of failure to complete the road within the specified time on account of strikes or other causes not in control of the Railway Company, the time may be extended by the Lieutenant-Governor in Council. Provision is also made for granting running rights over the line subject to the control of the Lieutenant-Governor in Council and to the provisions of the British Columbia Railway Act.

This concludes a hasty review of the legislation which forms the basis of the Canadian Northern contract which we are introducing to the House at this time, and I am confident that, though hon. gentlemen opposite are bound to criticise and find fault, we have succeeded in giving the people not only more than we promised in the elections, but as well in producing a bargain between the people of the country and the railway corporation far superior to any contract heretofore made between the people and any railway corporation in any part of the Dominion of Canada. (Loud applause.)

Now, sir, I have just a few more words and have done. I would like to refer, however, briefly, to the remark that my friend from Nanaimo made yesterday in connection with the financial effect of this agreement on the credit of the country on the issuance of the railway bonds. It would almost appear from what he said that he was fearful lest the bargain might result in some prejudice to the Province of British Columbia. Now, let me read as an authority what Mr. Byron E. Walker, President of the Canadian Bank of Commerce, and one of the leading financiers, not only in Canada, but in the British Empire, has to say in regard to this.

The Premier then read a statement from an interview with Mr. Walker in Toronto, in which he was asked whether he thought the guaranteeing of railway bonds had any harmful effect on the credit of a country, and he had replied, no, as long as they confined themselves to assisting good railways and were not led away by any wildcat schemes.

"That," said the Premier, "is what Mr. Walker has to say as to the effect on the money market of such a policy as this, and while I have every regard for my friend from Nanaimo and the greatest confidence in his judgment when dealing with questions that relate peculiarly to the doctrines of the Socialistic party in British Columbia, I am afraid in dealing with questions such as these I shall have to take the word of Mr. Byron Walker before I can take seriously that of the member for Nanaimo.

Besides that we have the financial records of other provinces that have dealt with this corporation. Let us look at the Province of Manitoba. I have here a message that will show the value of their securities since that road was built in Manitoba."

The Premier then read a statement from the Hon. Colin Campbell, Attorney-General of Manitoba, in which he showed that the bonds of the Province had risen from 97½ in 1894 to 98 in 1907, and in 1909 they sold at par.