

purpose of completing those portions of other roads connected with the Canadian Pacific Railway which are necessary to perfect it in all its great purposes. They will require capital, for instance, to assist in completing the short line to Halifax; they will require it for the purpose of aiding in connecting England and Canada on the Atlantic, and Canada and China on the Pacific. They will require all the money they can get, and much more in the course of a few years—much more than they will be able to raise upon the security of their lands; and they want to raise that money at once. It is the peculiar credit and glory of this company that they have finished the road so speedily. They are now carrying out the same policy. They desire to finish it in all its dimensions, so far as they can generate capital, as speedily as possible. They want to make the termini of the line, as has been stated already several times, Liverpool and Hong Kong. They desire to assist in all the branch lines which will aid in the carrying out of the great design. They will go into the market with their lands. They will say: We wish to borrow so much upon those lands. Well, what do you want for the lands, and what amount of bonds are to be issued? will be asked by the capitalists of Europe. They will be obliged to say: There are \$5,000,000 of those bonds held back by the Canadian Government; and why are they held back? Because the Canadian Government and Parliament and people do not think there is sufficient security that the road will be run for ten years. The very distrust created by this reservation of \$5,000,000 of bonds will greatly diminish the company's chances of disposing of the remainder of the bonds. It is evident that the question must be asked: What is the total issue of bonds? what is the total acreage secured on those bonds? why are these \$5,000,000 held back by the Government of Canada? you have performed your contract with Canada; you have finished the road; Canada admits that the road is finished, and that the company have performed their contract; and why do they hold back these \$5,000,000? Oh, Canada is afraid that the road won't be run for ten years. That must be the answer that they will honestly have to give; and what will be the consequence of that answer? The consequence will be that it will lessen the value of the bonds, and greatly diminish the chances of those bonds being put on the market. We will have all those other enterprises kept back and impeded, the capital diminished, the means of the company to carry out their grand projects, if not altogether destroyed, greatly injured; and why should we want that, unless we honestly and conscientiously believe that the road will not be run for ten years? But if we know, as we all know, that the road will be run for ten years, that there is not the remotest chance of failure in that, why should we injure the company by this distrust, for which there is no reason? Just the same common-sense caution which induced the Parliament of Canada to insist on this security in the inception of the road, and in the doubtful stage of its successful completion, should influence us now, when the company come forward after all they have done, and say: Give us all these bonds; you do not want to hold them locked up for ten years; let us have the advantage of them; we will spend that money in the development of this great Canadian road. And mind you, this resolution is not compulsory; it is optional with the Government; and the Government will insist, as they have done before, that the company will show them the purposes for which the \$5,000,000 will be expended. These are the reasons why the Government come forward and ask the House to avoid crippling or injuring the chances of the company going into the English market and making a successful loan upon the security of the lands which they still retain, when we know that the Government will insist on that money being expended on the railway or in the development of its com-

Sir JOHN A. MACDONALD,

munications with the various parts of the country or with other parts of the world.

Mr. BLAKE. The hon. gentleman suggested that as the Government must have the confidence of Parliament, therefore, it was not much more to say that the Government should have the power of doing this without the consent of Parliament. On the same principle the hon. gentleman had better let us pass an Act to allow him to legislate for us and to spend all our money; as the Government must have the confidence of Parliament, it is not much more to allow the Government to do everything else at their own sweet will. These are the constitutional doctrines which the hon. gentleman as leader of this House sets up. These are the relations which he proposes should subsist between the Executive and the Administration and a free and independent Parliament, if that is the proper term to apply to this Parliament, at this time of day. The next thing he said is that there is no doubt the road will be run. Well, there are all sorts of ways of operating railways. A portion of this railway is operated at present three times a week, a portion every second day, a portion once a week, and the security we have is security for the efficient operation of the railway, with such number of trains as the public convenience might require, although it might not pay well, because the expectation was that in the early period of the enterprise its operation would be accompanied by an inordinate expense compared with the traffic. That was the statement of hon. gentlemen opposite; they said the large price was mainly because the company was going to operate the road at a considerable expense in the early period. It is easy for the company to save expense at considerable inconvenience and detriment to the development of the country, by diminishing the frequency of the trains, and I do not think much of that railway accommodation, which is to be obtained three times or once a week, as a very efficient agent for the development of the trade or passenger traffic of the country. Therefore, it is important for us to have a practical leverage which will enable us to insist, under a considerable penalty, upon, not merely the road being kept open, but also upon its being efficiently operated as we consider the public interests require it to be operated, although that may involve more frequent running of trains than the interests of the company would suggest. The hon. gentlemen says it is just as much a piece of plain common sense and prudence that we should surrender the security now as that we should take it when the bargain was made. When the bargain was made, we thought it necessary to take security for the efficient operation of the road for ten years. Having done so, and the road being quite completed, the hon. gentleman says it is quite as cautious and as prudent and as long-headed that we should surrender the security just when the road is about to be operated in its whole extent, as that we should take the security when the contract was made. Then the hon. gentleman says, if we do not surrender the security, it will interfere with the sale of the bonds, because the first thing people will say is: "Oh, they are only using so many bonds, what about the other bonds?" and they will come to the conclusion that the Government of Canada hold these other bonds because, as the hon. gentleman put it in his extravagant fashion, they are doubtful whether the road will be kept open. No; the only conclusion that can be come to is that which appears on the face of the transaction, namely, that the Parliament required the security for the efficient operation of the road for ten years. The company can answer well by saying: "When we made the contract with the Government, the Government and Parliament made it a condition that we should give \$5,000,000 security for the efficient operation of the road for ten years. That was a part of our bargain; we have