

cost of the leased lines is nothing like the cost of the other, the earning powers are much more, and that, therefore, they can stand a much larger mortgage. If he can give us some information of that kind, there would be some argument in it, but it is clear, from the argument of cost of the two systems, there can be no justification for this blanket mortgage. The only justification can be that the earning power of the one system—the leased system—is five times greater than the earning power of the other. The hon. gentleman says it is necessary for the main line to make these connections, so that they will contribute freight and traffic to it. That may be so, and I have no doubt it is so, but they have those connections already; they have got all those leases to-day; we are not giving them power now to secure lines that they have not already secured, so there is no argument in that. I do not know why it would not be well to make two systems of securities, if there is any reasonable doubt that this is loading down the line from Montreal to Vancouver to put \$37,000,000 on it when there are only \$35,000,000 really on that road. Why not state that the \$52,000,000 covering all these leased lines shall be consolidated, and let that remain a blanket mortgage on those lines, while the \$35,000,000 remains as a mortgage on the Government line? That would leave the Government line not loaded more than it is to-day, and it would be for the Canadian Pacific Railway Company to work out those two systems in unison. Suppose the Canadian Pacific Railway Company should, year after year, find that they want ten, or twelve, or fifteen millions of dollars, as they have found for two years past, to build up these trestles, which I understood and stated on a former occasion in this House were only temporary and would have to be reconstructed some day. Supposing the company should come here year after year and say that this enormous system must be loaded up year after year, and state that this is necessary in order to build elevators, and permanent way, and new trestles and so on; and suppose, at last, that they find they cannot float their bonds, that they have been asking the public to take too many of them, what would be the result? I suppose the main line would revert to the Government. We are so enormously interested in it that I suppose the country would not permit the main line to fail. Then we would find that the whole main line would be saddled with a sum of \$131,000,000 instead of \$35,000,000. We might, under other circumstances, say that we would drop the leased lines and go on with the line which the country built. For the honor of the country we would have to maintain it, and, if this Bill passes, we would find the whole thing loaded on to that Government line. You cannot disentangle the two systems. You will have to take the whole thing with double the mileage which the Government undertook to build. These are matters which it is worth while for the Government to bear in mind. I do not want to delay this Bill to-night, but, in the public interest, it is of vast importance that we should understand where we are standing to-day if we pass this Bill.

Mr. LAURIER. I understood from the right hon. gentleman, last Friday, that the Government had entered into an agreement with the Canadian Pacific Railway Company for the construction of a line from Harvey to Salisbury. Can the hon. gentleman give us some more information on this point?

Sir JOHN A. MACDONALD. I cannot do it to-night, and for this reason: I stated that the Government had entered into an agreement with the Canadian Pacific Railway Company in relation to the construction of that road. At that time, although the agreement had been settled between the Government and the railway company, it had not passed formally into an Order in Council. After that conversation took place, it did pass into a Minute of Council, but it has not yet become an Order in Council. I

Mr. EDGAR.

suppose it will to-night, and that I may be able to lay it before the House to-morrow.

Mr. LAURIER. If this were a public measure, I would certainly feel it my duty to oppose it until all the details of the agreement which is said to be made between the Government and the company were before the House; but, as it is a private measure, I do not want to retard its passing, because it is a separate question. The hon. gentleman says that this is intended to promote the efficiency of the company. Very well, but he must expect, when he comes down with his proposition to which reference has been made, that we shall have a great deal to say in regard to it, because, if the agreement is what we expect it to be, it will be found that all the pledges given three years ago by the Minister of Railways, speaking for the Government, have been altogether lost sight of and violated.

Sir JOHN A. MACDONALD. We will postpone that question until the agreement comes down, but the hon. gentleman will find that those pledges have not been violated.

Mr. LAURIER. I will be delighted to find that that is so, and I shall be much surprised.

Mr. MILLS (Bothwell). I think, after the statements which have been made by my hon. friends as to the financial effect of this proposal, by the country guaranteeing the interest on this money, the hon. gentleman who has charge of the Bill should give the Committee some information on the subject.

Mr. KIRKPATRICK. I do not think the hon. gentleman was in when I spoke. I tried to-night to show that the Government last year did take all due security for the payment of the interest on those bonds, and that the money here which now goes ahead of them is for the purpose of increasing the earning power of the road, and thereby giving additional security that the interest will be paid. The shareholders are putting this ahead of them, they are not interfering in any way with the earning power of the company to pay the interest on these bonds. The hon. gentleman asked about these £500 a mile. He will remember that he was told in the Committee this was a provision not all for immediate use, but for use in the future, and the speech he has made is more intended for a meeting of shareholders than for the House. This Bill has to be approved of by the shareholders before it becomes law.

Mr. MILLS (Bothwell). What portion of the \$15,000,000 has already been expended, and what remains in the hands of the company?

Mr. KIRKPATRICK. I cannot really say. It is being expended now very fast from one end to the other, over the whole 5,000 miles of railway.

On sub-section 3,

Mr. LANDERKIN. The hon. the Minister of Justice ought to give some information in regard to the statement made by the hon. member for West Ontario (Mr. Edgar). If the effect of this Bill is to be such as that hon. gentleman says it will, it is but just to the House that the hon. the Minister should give this information. No doubt the hon. gentleman who is promoting this Bill is a very high authority in the House, but he is not in the Government just yet, and we would like to see a member of the Government state whether the Bill will bring about the consequences predicted by the hon. member for West Ontario. The Government are responsible for it, although it is a private member who introduced it. As for myself, I desire to say that I will not be responsible for the consequences of this Bill.