

the building of the Transcontinental railway. He knows very well it was never suggested that that section of the road could be built for 13 millions. That was the estimate of cost for interest prepared by the Chief Engineer, Mr. Schreiber, and submitted to Parliament at the time that contract was let, and the proposition was submitted to the people of Canada.

Hon. Mr. BOLDUC—What were the figures given by Mr. Fielding in the other House?

Hon. Mr. WATSON—The figures given at that time and talked of were at a cost of \$13,000,000 to Canada for interest.

Hon. Mr. BOLDUC—No, he said \$57,000,000.

Hon. Mr. WATSON—Sir Wilfrid Laurier said \$13,000,000. Now I say if there are any reflections to make in connection with the Grand Trunk Pacific, and the non-operation of the road, it is the fact that hon. gentlemen who now control the affairs of this country interfered with the carrying out of that contract and bedeviled the whole thing by degrading the road so that the Grand Trunk Pacific to-day are not compelled under their contract to take over the road, the Government are practically admitting they are not, because there is no necessity that they should take it over and operate it.

Hon. Mr. GORDON—Will the hon. gentleman answer a question?

Hon. Mr. WATSON—I will try to.

Hon. Mr. GORDON—My hon. friend from de Lanaudière (Hon. Mr. Casgrain) told us that this road was the best graded road in the world—best ties, best rails and everything else.

Hon. Mr. CASGRAIN—So they are.

Hon. Mr. GORDON—Now, you say the road has been degraded; where is the discrepancy?

Hon. Mr. WATSON—I am not reflecting on the ties or on the rails, but I say the road has been degraded because the grades have been changed.

Hon. Mr. BOLDUC—Where?

Hon. Mr. WATSON—The contract was to be a certain grade—four-tenths of one per cent going east, and six-tenths going west. They have degraded the road and called these inferior grades "momentum grades." The Grand Trunk Pacific have a just case

in saying, "You were not building that road according to contract."

Hon. Mr. GORDON—He says it is the best in the world.

Hon. Mr. WATSON—I have no doubt the western portion of the road is the best in the world. Previous to the change of grades by this Government I have no hesitation in saying it was the best piece of railway in the world.

Hon. Mr. DANIEL—Was there not a pusher grade on it, or at least two, of one per cent rise, I think down in New Brunswick or in the eastern part of Quebec?

Hon. Mr. WATSON—I want to say that any grades that are over the four-tenths or six-tenths of one per cent agreed to while the commission was constructing that road, were agreed to by the Grand Trunk Pacific, and could not interfere with that contract, and if that is the case my contention is right, that the Government should be in a position to compel the Grand Trunk Pacific to take over that road and operate it according to contract. But Mr. Chamberlin wrote protesting against the degrading of that road and notifying the Government that the Grand Trunk Pacific would not take over the road because it had been degraded. What I am complaining of is that the Government put the Grand Trunk Pacific in such a position that they are not compelled to take over and operate that road. We people in the West want every outlet, every spout we can have, for carrying out our grain. I know that road as far west as from Winnipeg to Edmonton, and there was no better road in America. I think it is a marvel, and railway people who rode over it were surprised that a road of such recent construction can be in such good condition as it is to-day.

Hon. Mr. GORDON—If the road were in operation now, how much freight do you think you would have to send over it to-day?

Hon. Mr. WATSON—My hon. friend ought to know that, because it was supposed that there would not be sufficient freight to make it a paying proposition for some years, and therefore the Government provided for seven years interest to allow for the collection of freight. I have no doubt at all that if that road was operated, instead of the few settlers to which my hon. friend made reference, there would be thousands of settlers in addition to those that are there to-day; but if the people are going to be held up, and given no railway