

a proposal on his part as to what the Government, in his opinion, ought to do for the company, and what the company would do if their wishes were complied with. The Government declined to accede to Mr. Stephen's proposal. I enquired whether, under the arrangements made for the altered proposals, the company had agreed to perform those things which they said in their letter they would perform, provided their own proposals were acceded to. And I could not get a satisfactory answer. I got it yesterday. It came in the report of the company, at their annual meeting. They think they have been rather hardly used by the Government. Mr. Stephen's letter will show the House that last Session the company remonstrated earnestly but ineffectually against the harshness of the Government, and pointed out the bad results that would flow from that harshness. The company says:

"The company, it will be remembered, at the time of the passage of the Act, earnestly, but ineffectually, remonstrated against the severity of the conditions on which the loan was granted, especially pointing out the damaging effect on the future credit of the company of the stringent and apparently inequitable character of the remedy taken by the Government, in the event of default by the company, and their apprehensions in these respects have been fully realised."

You will see, though we were not told it last year, that we were held to be harsh creditors, dealing with a reluctant debtor, and that we were going to injure the company by the severe terms imposed. They appear to be very good terms. The company, however, it seems, remonstrated against the Government lending them thirty millions, part at 5 and part at 4 per cent., and taking over the road if the company fail to pay back the money. We find now that the Government, on default being made, would not have taken over the road. We find that it was all a farce and a deception, and that it was useless to append that condition to the loan. I believe in making a bargain in plain terms, which will be carried out, and that a contract should express what is really intended. Hon. gentlemen opposite have told the House and the country that the arrangement with the company meant one thing, while they had a personal understanding with the company that it should mean something entirely different, something much less; that, if it became necessary to take over the road, the stockholders were to be dealt with on reasonable terms. Such is the statement of the Secretary of State, who then, as now, was a member of the Administration. If that be so, it is a most extraordinary commentary on the decision of Parliament, on the speeches made and the representations given to the country at that time. But we see the fatal effect. Mr. Stephen comes forward and says that if the Government grant the terms he asks the company will be enabled to complete the whole railway, to build the line to Coal Harbor, to construct the terminal works at the various points, to provide additional equipment, to build elevators and to pay off the floating debt, and so on; and then, after this is done, he says:

"It would then be in a position to proceed, 1st, with the much wanted extension of the Manitoba South-Western Railway; 2nd, with the completion of the line to Sault Ste. Marie; 3rd, to secure, in some way, a connection with the city and harbor of Quebec; 4th, with reasonable aid from the Government, to extend the Canadian Pacific system to the ocean ports of the Maritime Provinces; 5th, it would also be in a position to aid indirectly in securing the early completion of its Ontario division to the Detroit River, and at the same time removing for ever all necessity for any further application to the Government for assistance on the part of the company."

These seven things he speaks of, showing that we have not removed that necessity by the last Act, though we were told so, and unless we grant this condition we do not remove that necessity, yet I find that in the report of the company, as it now stands, they say:

"This measure does not afford means for so complete and advantageous an arrangement of the company's affairs as would have been obtained under the conditions suggested in the president's letter of the 18th March last."

They go on to say:

"But the company is being pressed in several quarters for extensions and additional facilities beyond its main line, some of which it desires to provide; and although the directors hope that the measure proposed may also enable them to meet the more important of these requirements, it remains to be seen how far the Government measure, in reducing so largely the relief the company requested, may not restrict its power of providing for the extensions of its connections which the company and the public, and, it is believed, the Government, also, so desired to see carried out; any may not also interfere with the intention and wish of the company to anticipate the period of the repayment of the Government loan."

There you see, Sir, the direct statement, very pointed, that it is not expected to be within their power to carry out these various things which they proposed to carry out, which they pledged themselves to carry out, if they got their own terms. So we have not now the assurance that the conditions of Mr. Stephen's letter will be fulfilled; but, on the contrary, we have a fair and frank statement, which it does him credit to have made, that those terms are inadequate to produce such results. In that point of view, I think we have important considerations presented to us. It does seem to me that it is necessary for us to know what this arrangement will accomplish. Sir, we have been asked to assist this company once and again, and now for the third time—to make the contract first, to assist secondly, and now to assist again. And we want to know distinctly what is going to be accomplished. Is this to be the last time of calling? How much is the deficiency? What changes are to be made? What additional expenses incurred, in order that these things shall really be done; else this will not be the last time of asking, and we must expect to be called upon again? The hon. gentleman dealt, in this portion of his speech, with the question of the route of the road, and he gave us some statements as to the route, and some comparative statements with reference to this road, and the other Pacific roads which demand some attention at my hands. I did not intend to say much upon that topic, nor, indeed, had I intended to touch to any great extent upon the topics which have occupied me up to this time, but the unusual course which was pursued, in making two speeches, and dealing with all phases of this question, from the earliest period to the end, of course rendered it necessary that an answer should be made at the earliest practicable moment, and as fully as it could be by one individual, with such disadvantages as one individual labors under in speaking at this hour in the night, and after the House has been sitting nearly 12 hours. But those statements demand from me, and they shall receive, reply. I have not been able to agree to the wisdom of the change in the route of the Canadian Pacific Railway. I have never been able to see that it was dictated by a wise appreciation of all the facts, properly collected, before the decision was arrived at. I maintain that the decision was arrived at and acted on by the company, long before they had found the route through the Kicking Horse Pass. I maintain that they, having determined to risk the Kicking Horse Pass route, have in the end, persuaded the Government, during the absence of Sir Charles Tupper, and while the hon. gentleman who is now acting was acting as Minister, to agree to a modification of his former policy. Mr. Speaker, it has just been intimated to me that the Government is willing to consent to an adjournment. I am sorry to ask it, but as I am answering two speeches late at night, it would be a convenience to me, as I have a good deal to say yet in reply to them.

Sir HECTOR LANGEVIN. It was intimated just now that the hon. gentleman was about one half through his speech, and that he was desirous of an adjournment. Under these circumstances, perhaps he will move the adjournment of the debate.

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