

forget to tell the House that steel rails are now admitted free of duty for everybody. I ask whether it is not possible for the manufacturers and business men of this country to make enough out of the operation of that contract, by the enlarged trade that must ensue in such things as are not free of duty, as must necessarily be manufactured in the country, whether they cannot make enough to compensate them for the loss upon nuts and bolts? Then objection is raised that the Government are going to let these people have the whole advantage of that exceedingly good bargain, which the Minister of Railways made with respect to the purchase of rails, but they forget that another bargain was made some years ago, which was not so good a bargain. They forget that the Syndicate are obliged to take all the rails that the Government do not want at cost.

Mr. BLAKE. No; only rails bought since 1879.

Sir LEONARD TILLEY. There are no others.

Mr. IVES. During the early part of this Session we heard a noise as of distant thunder. It was impossible to tell for a day or two what it meant or what was coming, but, early on Friday last it became manifest that we were to expect a manifesto from the Liberal members of this House, that that manifesto was to be signed with the hands and sealed with the seal of the great leaders of the party in this House, and that it would be sent to every voter in the Dominion, and would strike terror to every Conservative heart. Well, it has come, and, to the surprise of everybody, it is not signed with the hand of the great leaders, and it is not sealed with their seal. In fact, it belongs to the no-name series, it is issued anonymously.

Mr. PLUMB. Anonymously, but not unanimously.

Mr. IVES. No one in the House could be found who would take the responsibility of fathering it. I do not wonder because it is a deformed offspring, it is one of those children to whom it is unnatural to tell the truth even from the cradle. Now, why is this manifesto disowned? It is disowned, I have no doubt, for this reason: that it may be necessary, within a week or within a month, but certainly it is probable within a year, to say something entirely different. It may be necessary for the leader of the Liberal party to put forth views entirely and diametrically opposed to the views set forth in the memorandum. Therefore, although I must say those gentlemen are not very particular about consistency, still it would not do to issue a manifesto and acknowledge it, and then to issue another diametrically opposed to it so soon afterwards. Let us look at this celebrated manifesto. It says this:

"It has generally been conceded by all parties that, with proper restrictions in the working of the road, and the power of resuming ownership, it would have been in the public interest to have the Pacific Railway constructed and worked by a private company."

The statement sounds very queer after the expressions of opinion which were given in this House only last Session. Why, Sir, we were told that the construction of the Canadian Pacific Railway would ruin the Dominion of Canada, that the operation of this road, by the Government, would be an annual charge of millions of dollars upon the treasury of the country, and now, forsooth, it is discovered that, perhaps, it would be better if the country could get rid of the obligation and shove it off upon a company. Then we are told in this manifesto that it would have been better on all hands had there been a provision inserted in the contract that the Government might take it back in some future period and operate it as a Government work. Now, upon that point, I propose to read to the House a statement made in the *Toronto Globe* of November 8th, and headed "Impossible Bargain:"

"The engagement to pay so much was, of course, understood to imply that the Company would take the risk of running and maintaining the line for all time. Ten years after completion, in 1891, the road may possibly pay running expenses, and the large sum in excess of its cost

would be given to the Company for risking a loss in the meantime. But, the *World* correspondent says, that the road will be thrown on the hands of the Government as soon as finished. We can hardly believe the assertion, though it is consistent with the statement that a guarantee of only \$1,000,000 is mentioned in the contract.

"The avowed object of negotiating with a company for the completion of the work in ten years, was that the Government of Canada should escape all responsibility for the enterprise by making a definite payment. The people are, perhaps, not opposed to granting a subsidy in excess of the sum for which the line can be built, if by such grant the line can be finally got rid of. But, to pay \$20,000,000 more than the estimated cost of the railway, and, after doing so, assume the enormous responsibility of running and maintaining it, never occurred to any advocate of the Syndicate scheme. Such a plan would unite nearly all the evils of the contract system, with all the evils of pushing forward the enterprise much more rapidly than could be done on that system. Absolutely nothing would be gained by it except that one set of contractors instead of several would undertake the construction of the road. Add to twenty million dollars the great sum which will be annually lost in running and maintaining a line 2,500 miles long during the years which must elapse after 1891 before a traffic sufficient to pay running expenses can be created, and we have the amount which the country will be called on to pay in excess of the cost of building the railway as rapidly as the development of the North-West warrants. The amount is too great to render advisable a scheme recommended only by the fact that it would take from Sir Charles Tupper the power of letting contracts. The possible loss by corrupt administration is as nothing to that which would occur if such an agreement had been entered into as that set forth in the columns of the *New York World*. We cannot believe that even Sir John's Ministry has entered into such a bargain."

That is the opinion of the *Globe* newspaper on the regret expressed in this manifesto: that the Government have not taken power to take back the road into their own hands. Surely the hon. gentleman does not mean to say that any body of capitalists would undertake to construct this road and then operate it, during the period when it must be operated, at a loss, giving the Government the right to take it back when it began to pay, without allowing them for their disbursements? Here is another queer statement in this manifesto:

"According to the valuation of Sir John A. Macdonald and the Department of the Interior, the lands to be received by the Company are worth \$3.18 an acre; a sum less than the price realized by the Railway Companies of the United States. This will make the Government subsidy in land, for the construction of the central section of the railway, equal to \$59,625,000, or in lands and money, \$74,625,000, for building a road worth \$28,500,000, and which the Company are to own when completed."

I beg to call attention to the very guarded language of this paper: "According to the valuation of Sir John A. Macdonald and the Department of the Interior." In this manifesto, to which no member of the Liberal party dared attach his name, the statement is not made that the lands are worth even \$1 per acre. And why not? Simply because it might be necessary in the time to come to take up the old line of argument, that the country is good for nothing and the lands are worthless. Then we have this statement:

"The terms of the contract give the Company a monopoly of the entire trade of the North-West until the year 1900. A territory larger than the settled portions of the whole Dominion, fertile, and in every way well suited for colonization."

I must say that that is the first declaration of the kind I have heard—that those lands are fertile and larger than the whole extent of the Dominion, and every way suited for colonization; and I regret that some hon. member did not put his name to the manifesto, so that I could have the opportunity of congratulating him upon so sensible and patriotic a declaration. Again it is said:

"The Company are thus made the proprietors of a road built for them by the country, and will receive from the people, not only the railway, but also a bonus, in excess of what the road costs of \$56,000,000."

That statement is true thus far, that the contractors will build 2,006 miles, and the Government will build 621 miles, and, according to my estimate, they will have to pay at the rate of \$1.46 per acre for the land they get. We are told that the subsidy given in this contract to the Syndicate is excessive. I will give the opinion of the *Toronto Globe*, given on that point no longer ago than November 30th of this year; and I must say that in this article the *Globe*