Laurier's Bond Guarantee on G.T.P. Line in B.C.

Principal—For threequarters cost of construction. Proceeds of bonds must amount to this. Prices for bonds hitherto sold about 90. Total, if the cost is only $40,000 per mile, would be $24,000,000. If the cost is $60,000 per mile the total will be $36,000,000. (Statutes of Canada, 1904, Cap. 24, Schedule, Section 5.)

Interest—The Government agrees to pay interest for seven years as a free gift to the company. This will amount to from $5,000,000 to $7,500,000. The Government also agrees to pay interest for another five years as a loan to the Company. And the Company may default interest for 49 years and still retain final ownership of road. (Statutes of Canada, 1903, Cap. 71, Schedule, Section 32; 1904, Cap. 24, Schedule, Section 6). Contrast—If the C.N.R. road costs Province $1, the company loses the road.

Security—The parent Grand Trunk Company give the Government no guarantee whatever. In no case is there to be any liability on the Grand Trunk for Grand Trunk Pacific bonds guaranteed by the Government—Contrast.

BENEFITS TO PROVINCE.

The G. T. P., like the C. N. R., will develop new territory. But it will not make this development of so much benefit to the present population of B. C. It does not create conditions leading to railway expansion throughout the south half of B. C., where the people are. The contract does not provide for white labour only. Contrast.

Cost—No one knows. Interest alone for the first seven years will be from $5,000,000 up. Contrast.