

going to be the most profitable parts of the line, that the British Columbia end and the North Shore of Lake Superior end are going to be more profitable than the middle. We have all agreed that the middle would be profitable; the hon. gentleman says the two ends are to be more profitable still; so the prospects of the company as a paying road are of the brightest description, and, as I have shown, we have given them the means, and far more than the means, to build that paying road. Well, then, the hon. First Minister gave a reason for the faith that was in him the other day, for he told us the road could carry freight at one-fourth the cost of other roads; and a road that can do that will certainly be a highly paying road. It is quite true that the late Minister of Railways said that it would cost the Canadian Pacific, for some years, four or five times as much to carry traffic to the Grand Trunk Railway which, in its through traffic, is burdened by all the disadvantages of making connection with other lines from which the Canadian Pacific Railway is free; but the First Minister's statement is that by which, I suppose, the Government is bound; and it contrasts curiously with the statement of Sir Charles Tupper who said the road would cost four or five times as much to carry traffic as other roads, while the First Minister says it will cost only one-fourth as much. But if we take the statements of the First Minister as the real determination of the Government upon this question, it will certainly be a most profitable enterprise. We build, and they are to own, they are to enjoy; and, besides owning and enjoying the railway, by virtue of the monopoly they are to own and enjoy the country as well. The company themselves have declared, in the report the other day, and the Secretary of State has practically declared that they are going to make a profit from the opening. Now, then, that is the position of this company, and what is our position at this moment, when we are asked to impair our securities and to make this new arrangement? I have pointed out that for the last six months, just in consequence of our financial embarrassments in connection with the Pacific, we have been paying 1 per cent. extra upon twenty-five millions of money. We borrowed \$25,000,000; we have borrowed temporarily \$15,800,000 from the banks, and we are to make new loans, chiefly to pay off these borrowings and in connection with the Canadian Pacific Railway Company, of \$40,000,000, which makes a total of fresh obligations of \$65,000,000. We have a war debt on hand and we are in danger of a deficit, despite the monstrous taxation from which we are suffering. We have to pay increased permanent charges in the North-West, along with diminishing receipts from that country, and we have demands from various Provinces which claim railway aid and governmental aid of various kinds, at the peril of discontent, dissatisfaction, and some people even say—threatening only, I hope—disruption. We have depression and difficulty. We have a statement now made from those benches, and from the financial institutions, and from the company's reports, of unexampled depression. We even heard the word "crisis" used yesterday, a word we thought had disappeared from the dictionary with the incoming of a Conservative Administration. That is the condition in which we are, when we are called upon to make this new arrangement between the Government and the company, after we were told that the arrangement of last year was ample, ample and final—that there was an end to all. It behoves us to be cautious. The proposal, apart from the danger of the old loan, increases the aids by \$5,000,000, irrespective of the \$1,350,000 for interest; and this increases the total amount of the aids to the Canadian Pacific Railway in this wise: assuming the 20,000,000 acres to be unvalued, the gifts are to be \$69,500,000, loans \$34,810,000, or an aggregate of \$104,310,000 of aids, besides the 20,000,000 acres of land.

Assuming the land at \$1 per acre, and gifts become \$89,500,000, loan \$34,810,000, or a total of aids of \$124,310,000. Assuming the land at \$2 an acre, and you get a total of \$144,310,000. Nor is that the sum of our Canadian Pacific Railway engagements. I alluded a little while ago to our present and prospective Pacific Railway engagements outside the contract, which sum up to about \$14,000,000, apart altogether from the value. I know not what value the hon. member for Inverness attaches to them, or at what rate he would discount those several promises the Minister of Railways made to him yesterday; but apart altogether from that, there is about \$14,000,000. First of all, in British Columbia, aid to the Island Railway and the dry dock arrangement, both made in compensation for the Pacific Railway, \$1,000,000. In the Province of Ontario, the Canada Central, \$1,440,000; Gravenhurst and Callander, \$1,320,000; total, \$2,760,000. In Quebec, New Brunswick and Maine—Ottawa to Quebec, \$3,350,000; the Junction, \$200,000; proposed addition of this year, \$360,000; in that connection, \$3,910,000. Rivière du Loup or Rivière Ouelle to Edmundston, \$240,000; proposed addition of this year, \$258,000; total \$498,000. The Short Line proposal, which, as I understand, applies to Quebec, New Brunswick and Maine, is this: value of the grant of \$170,000 for 15 years, \$1,890,000; the present value added this year by making the grant \$250,000 for 20 years, or \$1,510,000, make a total of \$3,400,000. I will slip in here, as low a voice as I can, for fear it should reach the ear of the Acting Minister of Railways—the International, \$158,000, making a total of \$3,558,000, and a grand total for Quebec, New Brunswick and Maine of \$7,966,000. In Nova Scotia, Canso to Louisburg, \$256,000; Oxford to New Glasgow, \$224,000; Eastern Extension, bought to carry out that arrangement, \$1,286,000; Oxford and Sydney, \$30,000 for 15 years capitalised, \$333,600, or \$2,100,000 in Nova Scotia; making a total of \$13,827,000 as the aggregate of the proposals of the previous and the present Session, outside the Canadian Pacific Railway, but in connection with the scheme of a grand trans continental railway. So that you are about to add that sum. Then, if you do not value the lands, your total aids, including the proposed loan, to the whole scheme, inside and outside the contract, will be \$118,310,000, and 20,000,000 acres of land. If you value the land at \$1, your total aid will be \$138,310,000. With the land at \$2 an acre, the total aids will be \$158,310,000. But, Sir, let us revert to the contracted line and omit any reference to these outside engagements, which yet belong to the Canadian Pacific Railway policy: there is another way of viewing the case. Apply the means which are provided by the country as a basis of resources to build 1,909 miles of railway, and to equip 2,550 miles of railway, which was the company's obligation, the result is as follows, on the mileage basis of 1,909 miles: cash subsidy, \$25,000,000; cash realised from land grant bonds and powers of that kind, \$11,000,000; summing up, \$36,000,000, or making cash gifts in this way of \$18,858 per mile, available now, or in September, when the line is completed. Government works and surveys, \$33,500,000, making a gift at the rate of \$17,548 per mile on the 1,909 miles; thus making an aggregate of gifts in cash or its equivalent of \$36,406 per mile, with 20,000,000 acres of land, or a balance of 10,470 acres per mile by the original contract. And if you value the lands at \$1, the original gifts are equal to \$46,877 per mile; or if you value them at \$2, they are equal to \$57,348 per mile. Then, if you add the loans of 1884 these loans are equal to \$15,091 per mile on the 1,909 miles of contracted line. That makes gifts, cash and works of \$36,406 per mile, and a loan of \$15,091 per mile, or a total of cash, gifts and loans of \$51,497 per mile, besides the 10,471 acres per mile; if you value the land at \$1 per acre it gives gifts \$46,877 per mile; loans \$15,091 per mile, or a total of \$61,968 per mile. If you value the lands at \$2 per acre the amount of gifts is \$57,348 per mile; loans \$15,091 per mile, or a total of \$72,439 per mile. Now,