Hudson Bay Company, was to them | valueless, except as a hunting field. In the transfer to the Dominion they made reserves of comparatively small portions in different localities, and now ander the prospect of a development of the territory, by the construction of railways and settlement, the reserves are of more value to the company than was the whole territory in its wild condition, and just so will it prove to the Dominion; after the subsidy of land is set off, however large it may be, that which will remain to us will be, with the railway completed, of infinitely more value than was the whole, and, what is of incalcuable advantage, give ready access to that vast fertile region where our own sons and the immigrants who come to us may find homes for themselves and their descendants to give strength, prosperity, and stability to the Dominion. Reference is made in the speech to the Intercolonial Railway, and we are told that its position financially has been greatly improved. My hon, friend who moves the Address has referred to the discussions in Parliament respecting the construction of that work, and the doubts which were expressed that it would be of any commercial value to the Dominion, or that it would ever carry a barrel of flour. have not the returns of freight carried over the road, but I am sure it is beyond the anticipations of the most sanguine friends of the line; but whilst the traffic was large the position in which it came to the hands of its present managers in 1878-9 was certainly discouraging. On the main line the expenses overran the receipts \$716,000, and on the Prince Edward Island road \$90,000. This was a condition of things of the utmost importance to the whole Dominion. The men of the West had benefitted largely by the road in enabling them to send their products to the Maritime Provinces, but as they claim to be the largest taxpaying portion of our people it was not pleasant to them to face an annual deficit of over three quarters of a million in the working of that road; besides, this deficit was so great as to preclude the idea of reduced freights on their produce to meet the reductions in competing lines south of us for the produce of that country to the seaboard. Eastward for

Hon. Mr. McLelan.

required increased accommodation for traffic which we could not expect with so large a deficit, the condition was discouraging; and I am sure it will be gratifying to all to learn the almost marvellous change which has brought about. So soon as the present head of that Department ascertained its full position, with a vigorous hand be commenced a reduction of the expenses, and so well has he succeeded, that whilst the cost of 714 miles of road was in the year preceding his management \$2,010,000, in the succeeding year, and with the Riviere du Loup line added from August, making 836 miles work, the expenses, with increased mileage, were reduced \$1,600,000, which, with an increase of receipts, left but a small deficit, and the present year gives every assurance that there will be a surplus, with the road in splendid condition. This, I maintain, is a matter of vital importance, both East and West, inasmuch as so soon as the receipts and expenditure approach a balance, we can expect increased expenditures to develop new trades and better meet the requirements of the old. Having occupied so much of your time, hon. gentlemen, I must leave the other paragraphs as presented by my hon. friend, the mover of the Address, believing with him that this hon. House will give careful consideration to every matter presented to it affecting the well-being and good government of the Dominion.

Hon. Mr. SCOTT made some comments on the speeches of the mover and seconder, and added a criticism on the general policy of the Government.

[The above has been substituted, by Mr. Scott's direction, for the full report of his speech.— Senate Reporters.]

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