

Mr. SAM. HUGHES. The statement is made that all the officers of the Grand Trunk Pacific are United States citizens, and that there is no chance of a Canadian getting any service on that railway. Has the minister anything to say about that?

Mr. GRAHAM. That refers to the company part of the work. I am told that the company has a large number of American citizens on its staff; I think the majority are Americans. I would like very much if we could induce the company to employ our own men; but I do not know how we could compel them to do so. Until comparatively recent years we have not been in a position to provide a great number of engineers, though we have had in Canada some of the best engineers in the world. This is a question which I intend to discuss quite freely with the president of the Grand Trunk Pacific Company.

Mr. SAM. HUGHES. Our young men go to the United States and get the very best positions there.

Mr. GRAHAM. I will endeavour to have a heart-to-heart talk with the president of the company in reference to that matter, because I am as anxious as any one can be that Canadians should be employed.

Mr. TAYLOR. If I am not mistaken, this question came up when the contract was made, and provision was made in it for the employment of Canadians; and yet the minister is allowing the company to employ all the Yankees they require.

Mr. SAM. HUGHES. Does the government, which guarantees the bonds of this road to a certain extent, have anything to do with selecting the route? In other words, when the plans are submitted, does the government send its engineers to inspect it and to see that the best route attainable is selected?

Mr. GRAHAM. We have a government engineer overlooking the route all the time, examining the profiles and also examining the country. The government approves the route before it is settled. As we are guaranteeing the bonds by the mile, we want to get the shortest route possible so long as the standard of the road is kept up.

Mr. SAM. HUGHES. It is a question what is the shortest route. The Grand Trunk Pacific, from the time it crosses the South Saskatchewan river until it reaches the Beaver Hills, does not take the shortest route. On a map it would seem to be the shortest route, but it is not, because of its numerous curves. If the southern route had been selected it would have gone through a better country and would have had perhaps as short a mileage, and it would not have paralleled the Canadian Pacific for a long distance. Is there a government en-

Mr. GRAHAM.

gineer with each party or does he go over each route?

Mr. GRAHAM. He goes over each route. I do not think there is one with each party.

Mr. HAGGART. If I understand rightly, the company do not go on building the road at all until the route is approved of by the department. You enter into a contract in reference to the construction of it, do you not?

Mr. GRAHAM. Yes.

Mr. HAGGART. Will this amount be charged to the Grand Trunk Pacific? Why should we pay it? Is it not as much an expenditure for the purpose of building the road as any other expenditure?

Mr. GRAHAM. The inspection is not for the company, but for our own protection in guaranteeing the bonds. That is the reason we pay it, I imagine.

Mr. HAGGART. Why should it not be charged to the company?

Mr. SAM. HUGHES. In considering the 75 per cent of the cost of the mountain section, the government, I presume, considers the purchase of rails, the transport of rails and the purchase of supplies of all kinds, and sees that there is no rake-off or crooked work?

Mr. GRAHAM. Every account of the company is audited thoroughly.

Mr. ARMSTRONG. Has the government an inspector at Prince Rupert, and, if so, does he make a report, and how often?

Mr. GRAHAM. The government has an inspector at Prince Rupert, and he reports, I think monthly, and oftener if necessary, directly to our engineer, Mr. Schreiber.

Mr. R. L. BORDEN. There was a previous item of \$18,000 which I understood was appropriated for the purpose of inspecting the Grand Trunk Pacific. Why is there this additional item, and what different purpose does it serve?

Mr. GRAHAM. The inspection of last year was paid out of the other item, but it was not as much as it will be this year. From time immemorial there has been an item for inspection for subsidy purposes. Last year we had not this specific item; but my idea and the idea of the department is that it is better to take a specific vote for the specific purpose of the Grand Trunk Pacific.

Mr. CROCKET. I understood that the minister this afternoon justified the increase of that item upon the ground that an additional amount would be needed for the inspection of the western division of the Grand Trunk Pacific.