

which we cannot change from year to year as the public interests may require, to allege that during the existence of this policy we are to apply under such allowed circumstances the continuation and prolongation of the state of affairs which existed under Government management, is to use a wholly fallacious argument, to my mind. I will now deal with the statement. It has a most dangerous tendency. I am amazed to see it in this paper, that Company says "that in the negotiations which preceded the execution of this contract your Government at once conceded the principle, that the same protection which would have been claimed by itself in regard to lines connecting with United States railways should be granted to this Company," as much as to say we were dealing with these preceding negotiations; we were dealing with concessions of principle made by the Government; we were dealing with private understandings arrived at between the Government and the Company. No, Sir, but we were dealing with a written paper; we were dealing with a contract that was submitted. We were told that this was the result of long and painful and earnest negotiations which had lasted many months. The hon. gentleman told us, when we asked for papers, that we were not entitled to them. What were these papers? They concerned negotiations based on the statements of the day, *pourparlers*. We had nothing to do with them. They brought down the result. This was the conclusion of the whole matter. But it was not. It seems an understanding was arrived at between the Government and the Company, irrespective of what the contract was, that they should be given the same protection, acting on any principle that the Government would ensure and apply to itself, if the Government had kept this railway in their own hands, and so preserved the public from the dangers of a monopoly, and from the protection of private, in contradistinction with public interests, in running the railway. Now, Sir, I deny, I wholly deny that this Company has the least right to insist upon any understanding which was arrived at upon anything else than what appears upon the paper; and I maintain that the Government would have been guilty, has been guilty, as this statement as to the contract shows, of a grave breach of public duty in coming to any understanding, in making any arrangement, in coming to any view as to how they should exercise their powers as to what they should do in this matter, which was not embraced in the contract communicated to the House. Now, Sir, what is the meaning of this statement that the Government has given the same protection to this Company which it could itself have invoked? What is its meaning as applied to the circumstances of this case? That the veto power would be used. But if the contract had contained this provision, would the First Minister have been able to say: "We cannot check Ontario; we cannot check Manitoba," nor would the hon. member for Cardwell have been able to say that Manitoba is as free after it as it was before, to build other lines. What authority would there then have been for saying that the country was protected against the monopoly, the independent rights of Manitoba and Ontario being intact, if this had been in the contract; of course this would not have existed, and this would not have been said. But it was not in the contract, nothing was said to the contrary, and we had the right to interpret the contract. But now we are told we had no right to properly interpret the contract on the faith of the Act, which was the sole refuge against monopoly, and which was followed up and presented by the hon. First Minister. This is all to be put on one side because there was a preceding understanding, that whatever protection the Government could have, should be extended to this Company; that is to say, whatever protection the public could extend to the public, and give to itself, had they continued to own and run the Canadian Pacific Railway, was to be given to this Company,

although it was not in the contract. What next? What other terms are we to hear of from day to day? Where are we to stand? On the contract? Not at all. But on something wholly different. There may have been verbal understandings. Perhaps there were written understandings. Perhaps there were secret understandings. Perhaps there were negotiations which have not been brought down. We have heard of secret articles in treaties, we have heard of secret articles in the treaty who was signed by the Government of the Premier's prototype. How the credit of that Government was enhanced by the secret articles that referred to Cyprus. That is to say: a bargain is to be made with a company; certain terms are put on paper; these terms are submitted to Parliament as a contract; the Parliament of the country and the people of the country are told that protection exists against monopoly, as private railway companies can be chartered, which will give competition; and then we are to be told a year afterwards, and when the contract has been made, that a private understanding existed all the time, that the veto power should be practically used to prevent competition. This is to be told something, Sir, which it is easier than it is parliamentary to properly characterize; and then, Sir, the directors says it is essential to the protection of the interests as well as of the rights of the Company, that the operations of the line along the section to the north of Lake Superior should be sustained by such other traffic as can reasonably be obtained for it in Manitoba and the North-West. This is their second statement, and I do not observe anything in this contention of the Company, speaking from a hurried glance into it, as to the express language of the contract giving them this right. I observe that they speak of these other reasons altogether, all they speak of is independent of the express language of the contract, and they have their claim on the other reasons to which I have referred, while the Engineer-in-Chief on the 28th of October, reporting on these charters, says that two of them give powers to their respective companies to run lines to the boundary between the Province of Manitoba and the State of Minnesota, "a provision, which undoubtedly conflicts with the spirit of the Canadian Pacific Railway Act," and he quotes section 20 of this Act. Here the Engineer departs alike from his duty and from the questions which he should consider. He proposes to construe a contract. He proposes to give a construction to a section of an Act of Parliament. He proposes to deal with that somewhat difficult question as to the spirit and letter of that Act of Parliament, and to deal with a great question of public policy which he says is not involved. I do not know, I am sure, how it was; but so it was, that he gave his legal opinion, that this conflicted undoubtedly with the spirit of the 20th section of the Act. Then comes the Minister of Railways, and the Minister says, that the Chief Engineer had reported that these several charters gave running powers to the boundary between the Province of Manitoba, which undoubtedly conflicts with the spirit of the Canadian Pacific Railway Act and section 20; and so he follows his engineer, not only in mere engineering matters, but also in the exposition of an Act of Parliament, which he himself heard his leader declare in this House, had no such effect at all. We were told that Manitoba was not interfered with, that the charter left that Province free, but the hon. gentleman adopts the statement of his engineer that the clause undoubtedly conflicts with the spirit of the 15th section. Then the hon. gentleman goes on to state:

"That during the Session of 1880, when the Government were carrying on the railway as a Government work, he was authorized by the Government, after the fullest discussion, on this question in all its bearings, to state to the Committee of the House of Commons on Railways and Canals, that the Government would not assent to the incorporation of any line running to the American frontier in an easterly direction, it being considered essential to the interests of the Dominion that the