

fact that Quebec must have the trade of the Pacific because *that port is by several hundred miles nearer the Pacific Ocean than any other port on the Atlantic and because its access is free from violent storms for several hundred miles* I can assure you that Montreal having the same advantage, with hundreds of miles more, never could, in spite of its geographical position, dispute the Western trade to New York. Something more is needed than the efforts of nature to establish trade currents. And, according to your theory, now that Montreal has obtained the deepening of Lake St. Peter, it should have all the summer traffic of the Pacific. I will ask you why, if your theory is complete and if geographical position is the principal element of success, the traffic would make 160 miles more by rail to reach Quebec when all the requisite ships are in Montreal? If you say that the distance of 160 miles is hardly anything, I will answer you that in this case if traffic is allowed to run over 160 miles more to reach Quebec, it can equally go to Portland, for instance, where there are hardly any costs for pilotage. I expose you these things only to demonstrate to you that the great secret of success in a commercial enterprise is the work of man and not the gift of nature. And the day when the Pacific shall have invested five or six millions in their Southern roads, they could very well after being in possession of their winter road, use it for their summer traffic.

I believe that Mr. Stephen has not the intention of constructing a first class road, if he is not disposed to pay \$5,225,000, say \$5,100,000. to go from Montreal to Quebec. The entrance of the North Shore Railway into Quebec costs alone over \$1,000,000. The bridges, comprising 3,500 feet of wood and 4,176 feet of iron, weighing 4,458,198 lbs. have cost over \$1,000,000; We have, according to inventory, paid \$600,000 for the rolling stock which is as in a good state as in the month of July 1882. There remains then, after deducting of those \$2,600,000 which represent an intrinsic value independent of ordinary railroad works, the sum of \$2,500,000 for the construction of 209 miles of railroad which constitute the North Shore road. That gives \$13,000 per mile. If we consider that a road built in the prairies of the North West costs \$20,000 per mile, without bridges or rolling stock, I am asking myself how can a second road be constructed between Montreal and Quebec on better conditions than those.

Mr. Stephen could not know what was going on in 1882, at the time of the sale of the railway, because he was absent from the country; but he is under a false impression when he