

region where he is unable to distribute the products of his industry, the country reaps very little benefit, indeed, from his labour. What I suggest is, that instead of handing over 6,400 acres of land per mile to the Hudson Bay Railway, and offering a subsidy in money as well, it would be far more feasible to retain the subsidy under the control of the government for the benefit of the country and of the people who are going to reside there. Let the government retain the land grant in their own hands. I say, without fear of contradiction by any one that knows that country, that the upset value of land in Manitoba and the North-west Territories—that is, land fairly fit for agricultural settlement—is \$5 per acre, and I would a great deal rather purchase land at that figure near a railway, than do as I have done—take up a homestead and go through all the hardships of making a home away from a railway. The upset price of the Hudson Bay lands is \$5 an acre, school lands the same. The North-west Land Co., and the Canadian Pacific Railway Co., are realizing on sales nearly the same. Instead of giving the lands to the railway company, the government should hold them in trust for the future development of the country, and throw the burden upon such a line as the present one in consideration, or any other railway in that country, so that when the country is developed, it may pay back to the public all that it may have secured in the way of aid.

Hon. Mr. POWER—After listening to what the hon. gentleman says with regard to the land grant, I do not see how he proposes to build the road.

Hon. Mr. BOULTON—I am coming to that.

Hon. Mr. SCOTT—Would the hon. gentleman tell us what population is settled north of Gladstone, say, for 20 miles on each side of the projected line, for the first 200 miles?

Hon. Mr. BOULTON—The only means I have to answer the hon. gentleman's question is the report of the revising barrister who went out there the first time to make a list of voters. Recollect, the district that I am speaking about is the district that I represent in this House. He found in the Lake Dauphin district one thousand

voters. That represents a population of, say, 2,500.

Hon. Mr. POIRIER—Five thousand.

Hon. Mr. BOULTON—There are a good many bachelors there. What I wish to say is this, that if the government were to guarantee the bonds of the line—I am not speaking of this line only, but take, say, the Manitoba and North-western, which is also a line that is hardly treated and wants assistance to reach Prince Albert—supposing the government were to take back the unearned land grant, and guarantee the bonds, take the first lien on the railway itself and then set aside 6,400 acres of land per mile to be specially hypothecated as security for the guarantee the government give the bonds, and let those bonds bear three per cent interest, what would be the result? The railway company would be able to get 100 cents on the bonds in consequence of the Dominion guarantee, so that there would be a dollar available for construction where there is only sixty or seventy cents available under the present system. Then, in addition to that, instead of paying six per cent interest on the bonds which the traffic has to bear, it would only have to pay three per cent, so that we would be gaining at both ends, gaining in capital available for the construction of the road, thereby cheapening the cost of it, and in the interest on the capital account, and when hon. gentlemen realize that we have to pay on an haulage of 1,000 miles of inland transportation, you will understand the importance of the question to us. Is the railway itself with all its equipment considered sufficient security for the road? If it is not, then you have 6,400 acres of land per mile of the public lands, set aside as collateral security, that the treasury will never be called upon to meet any obligation in connection with the line.

Hon. Mr. POWER—The country owns that land now.

Hon. Mr. BOULTON—You propose to give that away under the present system. You gave twenty-five millions of acres to the Canadian Pacific Railway, and two or three millions to the Manitoba and North-western. If you give them away they pass into private hands, and the \$5 an acre that