

The **MINISTER OF RAILWAYS AND CANALS.** I say that every one of the beds and banks up to twenty-five feet beyond high water mark of all the rivers and lakes named in the contract are absolutely and entirely excepted from the selection by the company. Whether they are dry or whether they are wet is utterly immaterial.

Mr. FOSTER. But the hon. gentleman is giving as a reason why this contract should be accepted, that the river beds—

The **MINISTER OF RAILWAYS AND CANALS.** I am stating the facts.

Mr. FOSTER. The hon. gentleman may be stating the facts, but surely I have the right to ask him, for the sake of a clear understanding, at this time, whether he is really sure, that he is doing anything more than reserving from this company the navigable and navigated streams and lakes. Is he sure?

The **MINISTER OF RAILWAYS AND CANALS.** I have told the hon. gentleman that each of the rivers named in this contract is, to the extent of its full width, and up to high water mark on each side, and for twenty-five feet beyond, excepted from the operation of this contract and not within the right of selection by the company. I have said that and nothing more, and I would thank the hon. gentleman, when he quotes what I have said, to state it accurately. I presume we may be asked: Why did you give so many acres as 25,000? Why did you not give the contractors less? Well, I may frankly acknowledge that the reason was because they would not take less. We could not force them to take less. We bartered and negotiated with them. Members of the Government and sub-committees of the Government—sub-committees constituting pretty nearly the whole numerical strength of the Government—urged on Messrs. Mackenzie & Mann every conceivable argument in order to get them to reduce their terms. And we did get them down very much below, I can assure you, the demands they made, but we could not get them below 25,000 acres per mile, and therefore did not. I had some little curiosity myself, when I asked the question here, to know how many thousand acres per mile these hon. gentleman, in their combined wisdom, putting all their heads together, with all the knowledge they possess, would say should be given to Mackenzie & Mann as the consideration for this contract. I would like any one of them to reply. Or would any one of them, having a sense of the responsibility which rests upon the members of the Government, dare to say that they would rather insist on taking off 5,000 or 10,000 from that contract per mile and throw the whole contract to the dogs, than face the country with the proposition to add 10,000 or 15,000 acres per mile to the terms

proposed? That is the question. It is not a question what these gentlemen, with their pockets full of money and ready to invest untold millions in that Klondike country, would be willing to give, or what value they would be willing to attach to these lands; but what amount would these hon. gentlemen, if they themselves were determining the question, feel they ought not to exceed, at the risk of a failure of the negotiations. That was a pretty serious question for the Government to face, and we had to face it. We came to the conclusion that if we could not get 5,000 acres per mile taken from the price, it was our duty to give Mackenzie & Mann the 25,000 they exacted as a condition of their taking up the contract.

When you come to think about it, what is there in the question of 1,000 or 5,000 or 10,000 acres out of the millions we have up there, and which we do not know are worth anything or not? It is a pure question of chance—absolute chance in every particular. It is all very well for gentlemen who do not intend to invest a dollar in the enterprise, who, if they had thousands, could not be induced, under any conditions, to hazard an investment in the securities of this company—it is all very well for such gentlemen to cry out about the waste of \$50,000,000 actual value given this company to build this railway. But if you were to ask them to take up one of the company's bonds at perhaps 95 per cent discount—no, they would be too careful and cautious to invest in so hazardous an experiment. They would not take the risk, but they will make these wild statements, because they hope thereby to discredit a political opponent. But coming down to the question of business, coming to the responsibility of concluding the negotiations, I want some one of them to tell me how many thousand acres he would feel the public interest would impel him to insist on the company's taking off, the refusal by the company to take off, which would justify the Government in putting an end to the negotiations. I do not know, for my part, whether the company of Mackenzie & Mann has made a profitable contract or not; I do not know whether they are going to make a great lot of money out of this thing or not. I sincerely hope they may. They deserve to do it, and I hope they will. And I say this, notwithstanding the carping criticism of gentlemen who write for the newspapers under the nom-de-plume of "Onlooker," and who criticise a great transaction like this in a picayune spirit, somewhat after the fashion of a parish vestryman dealing with the question of a five-dollar expenditure, or who, when they are not so criticising, are slandering better men—men who prize and value their character in the community at least as high as the hon. gentleman does, and who set as high a value upon their moral status. I say,