

body's hands an amount of \$1,470,540, over and above the cost of the road. But that is not the whole story. Besides being enabled to get more money out of the sale of the bonds than the road cost, this company was given by a kind Conservative government a land grant of 1,619,200 acres. I say that that land is worth \$2 an acre, and I say it for this reason—that about a year ago the company sold the land at \$2 an acre to a company of American land dealers. So, the land was worth to the promoters of this road no less than \$3,238,400.

Mr. CLANCY. Is not the hon. gentleman (Mr. Scott) aware that that company refused to take the lands allotted?

Mr. SCOTT. No, I am not aware of that. I am aware that for many years the railway company hung off taking the land that was allotted to them, but about a year ago they made a deal with a company of American land speculators, known as the Saskatchewan Valley Land Company, and sold the land at the rate of \$2 an acre. I understand that they sold practically the whole of the land grant at that rate, and the company of American speculators have not refused, so far as I know—

Mr. CLANCY. If the hon. gentleman (Mr. Scott) had been in his seat at the time he would have heard the Minister of the Interior (Hon. Mr. Sifton) state in answer to questions asked, that this company had refused to take a considerable portion of the lands allotted to the company.

Mr. SCOTT. I was in the House when the Minister of the Interior was answering questions with respect to this matter, but this is the first time I have heard it said that that company refused to take the land.

Mr. CLANCY. And I understand that the lands were sold for \$1 per acre, not \$2.

Mr. SCOTT. I beg the hon. gentleman's (Mr. Clancy) pardon. The lands were sold by the railway company to the company of American speculators at \$2 an acre, which would mean that the land grant was worth to the company \$3,238,400. But it is not very germane to the question whether these lands were sold at \$1.25, or \$1.50 or \$2.

Mr. BARKER. If it is not germane to the question, why does the hon. gentleman (Mr. Scott) dwell upon it?

Mr. SCOTT. The point was raised by the hon. member for Bothwell (Mr. Clancy). I say that it is no answer to say that these lands were not sold for \$2 per acre. The contract made by the Conservative government with this railway company was to give them this area of land fairly fit for settlement; and I do not need to say to this House or to anybody in this country who has any knowledge of affairs in the North-west, that there is not an acre of land in the North-

Mr. SCOTT.

west fairly fit for settlement that is not worth \$5, and that will not sell for \$5 to-day. In placing a value of \$2 an acre on that land, I am making a very conservative estimate. But even this was not all. In addition to these things the company was given a subsidy of \$80,000 a year for twenty years, being another little matter of \$1,600,000. This added to the land grant and to the amount of bonds and stock over the cost of the road, makes a total of no less than \$6,308,940, which somebody obtained without earning it, through the legislation of the hon. gentlemen opposite, who have now the effrontery, the hardihood, to come forward and ask the people of this country for their confidence that they may put through other railway legislation. That is only one of them. I may mention also the Calgary and Edmonton. That was stocked at \$1,000,000, and it was bonded for \$5,474,513, making a total debt on the road of \$6,474,513. By the return which appears in the report of the Railways and Canals Department, the total cost of that road was only \$3,743,562. Therefore there is an amount in somebody's pocket of \$2,730,951. That company also got a land grant.

Mr. BARKER. May I ask the hon. gentleman a question? If this six million odd dollars has been issued as the capital of this company at a cost of \$3,000,000, what does he say to the \$25,000,000 the government propose to add to the capital of the Grand Trunk Pacific, without any provision that they shall pay for it?

Mr. SCOTT. I have made a note respecting that matter, but I would like to be permitted to make my own speech and to deal with these matters in their proper order. My hon. friend from Hamilton will not think I am discourteous in objecting to having my attention drawn away from the subject with which I am dealing at the present moment. The cost, as I have stated, was \$3,743,562, and the total debt on the line is \$6,474,513. The land grant given to this company amounted to 1,888,000 acres. I put the valuation of this land at \$3 per acre. I am informed by the hon. member for Alberta (Mr. Oliver) who knows the circumstances, that that company has not sold an acre of land at less than \$3. They have a number of town sites in the area that sell for a great deal more than \$3. They were selling land last year at \$4 and this year for \$5, and even more. However, I put the value at \$3 an acre, yielding a sum of \$5,664,000 as the value of the land grant. This company also got a cash subsidy of \$80,000 a year for twenty years, making \$1,600,000. Therefore the total profit on this road—profit is not the right word, I am at a loss to describe it.

Mr. GALLIHER. The swag.

Mr. SCOTT. Yes, the total swag on this road was \$9,994,951. Add to that the am-