

delegates were here from British Columbia taking part in the discussion, having regard to the fact that the resolution was in a sense, though not officially, and as it is alleged without authority, recognised by them, I have always urged that British Columbia could not in equity and good conscience wholly ignore the resolution, but should remember that the Union was in fact obtained by means of the resolution; but I have been obliged to concede that she was not strictly and legally bound by the terms of that resolution, even if the work turned out to be such that its accomplishment would materially affect the interests of the Dominion, since the terms agreed to gave her, by the strict letter of the law, the right to insist that the work should be proceeded with, no matter what the consequences. She is entitled to say, "Here is my bond, I ask for my pound of flesh." There was then, subject to and not controlling the legal effect of the Terms of Union it is true, but still contemporaneous with them in 1871, a formal resolution declaratory of the desires and intentions of Parliament, that the work should not involve an increase in the taxation. The first Pacific Railway Act was passed in 1872, under the auspices of hon. gentlemen opposite. This Act recites the resolution against an increase in taxation and the propriety of carrying it out; and provides a limited quantity of land and money as the means. We were even then told that the remaining land would meet the money grant, which would cost us nothing. This was the second Parliamentary declaration against increased taxation for this object. The Government, in 1872, chartered a Company which deposited a million of money as security for the construction of the road. Subsequently the Company, which was dependent on the raising of foreign capital for its success, found that it could not obtain that capital without modified conditions, and asked for better terms, which the Government refused. It then proposed to surrender the charter, and receive back the million hard cash, which it had deposited in order to secure the fulfilment of its contract, and so sure were the Administration that they could make a better bargain with others, or so kindly disposed were they towards that particular Company, that they accepted

the surrender of the charter, and returned the money that had been deposited. They met the House shortly after, in the fall of 1873, and they had already found that some other and different arrangements would have to be made to accomplish the construction of the Pacific Railway. The Government of that day acknowledged that their scheme, their plan, their act, their charter, under which the Company which they had favoured had been incorporated, were failures and they declared that a new plan, requiring new legislation, would be submitted to the House for providing means to carry out that great enterprise. The Speech from the Throne delivered in 1873, contains these words:

"The Canadian Pacific Company, to whom a Royal Charter was granted, have, I regret to say, been unable to make the financial arrangements necessary for the construction of that great undertaking. They have, therefore, executed a surrender of their charter, which has been accepted by me. You will, I trust, feel yourselves called upon to take steps to secure the early commencement and vigorous prosecution of that railway, and thus to carry out in good faith the arrangement made with the Province of British Columbia. A measure for that purpose will be submitted for your consideration."

What kind of measure? Circumstances to which, after the tone taken by the hon. gentleman, it would be ill-bred to allude, prevented the new proposition from being brought down. The reign of the gentlemen who promised that new scheme suddenly came to a termination. It is very well known, however, that the new idea was not in fact a new idea, that the idea of the First Minister, as he stated publicly in the county of Lennox in 1873, always had been the same, namely, that the work should be constructed as a Government work, and that it would, if he had been in Ottawa during the Session in which the arrangement had been made, have been so undertaken; but the pressure of the Opposition had been so great that his colleagues had yielded, and for their action he admitted he was responsible, though his own views remained the same, that the work should be constructed as a Government work. Then what was the new plan which has never seen the light? It must have been a measure for construction by the Government in accordance with the opinions of its