

I was of opinion, and am still, that we might have used for many years, with great advantage and saving to this country, the United States railways to our North-Western frontier. But when Parliament decided to have the railway built through Canadian territory, and granted subsidies in aid thereof, I became exceedingly anxious that every precaution should be taken to guard against the expenditure of any portion of the Canadian subsidies in aiding to build a railway in the United States, such as from Duluth to Sault Ste. Marie. If the people of the United States had chosen to build a railway to the Sault with their own means, I would have had no objection to their having been met there by an independent Canadian Company. But I was of opinion at the time, and am still, that the best guarantee the country could have had for the expenditure of the Canadian subsidies wholly in Canada, and for the carrying out generally of the policy of the Government and of the country, would have been to have entrusted the whole undertaking to the Inter-oceanic Company.

My own policy, if I may so call it, I early reduced into a sentence, "Begin the railway at Pembina, build westward, explore eastward." I think the *Globe* must concede that I have established my consistency in respect to this matter. I may add that, except as President of the Inter-oceanic Railway Company and on behalf of that Company, I never was, directly or indirectly, an applicant for a Pacific Railway contract. I hope Mr. Mackenzie will note this fact and the conclusion which naturally follows,—that I had no personal grievance and consequently no revenge to gratify in connection with the Canadian Pacific Railway.

The following is an extract from a speech delivered by Mr. Blake at Peterboro', on the 15th of January, 1874, and is very interesting. He said :—"It was the intention of the present Government to proceed with the construction of the Pacific Railway, but in such a way as to prevent an increased burden of taxes to the people. To this end, the road would be constructed so as to reach the great water stretches or lakes of about 1,000 miles, and then, by using the Lake of the Woods and Rainy Lake, and building portions of the road in connection with these waters, easy communication would be secured with Fort Garry; afterwards and as soon as possible, consistent with the public interests, the remainder could be constructed, and that wholly in our own territory. While these portions of the work were in construction, the people could do as they now do—use the American roads."

The above shows that Mr. Blake's views at that time were substantially in consonance with mine in respect to opening communication with our North-West. He was in favour of using the "water stretches" between Lake Superior and the Red River—of improving the Dawson Route, in fact—and until we could afford to build an all-rail line "people could do as they do now, use the American roads." It was a grievous misfortune to the public, who have to carry the "burden of taxes," that when Mr. Blake joined the Government he