

other side, and one or two to which I alluded before, which I think it will be reasonable that the Minister of Railways, before the question is resolved, should deal with further. Upon the financial question, upon the general results to the Dominion, we are not in a position at this moment to speak intelligently. I moved for correspondence with respect to the dry dock, and also for a statement as to what the cost to the Dominion would be under the new arrangement. I made those motions early in the Session. I pointed out that they were essential to an intelligent decision of what the real merits of the financial terms were. They were promised, as hon. gentlemen opposite always do, generously and courteously enough, but they have not been brought down; and therefore that element in the discussion remains unsettled at this moment. I do not propose, therefore, to touch the financial question; we do not really know what the cost will be without that information. The points to which I think a little attention might properly be directed, are principally two. The question which has attracted so much attention during this Session is that of the country undertaking such enormous obligations as they have undertaken this Session, in order to establish the through line of the Canadian Pacific Railway Company from ocean to ocean, at a very early day. We have been told that a principal reason for establishing that through line at a very early date, was to enable the Canadian Pacific Railway Company, at the earliest practicable moment, and before the trade would be fixed in other channels and grooves, to enter into competition with the Northern Pacific particularly, and of course with other Pacific railway companies. Then the trans-continental trade, the Pacific trade and the Atlantic trade to be land-borne by the Pacific Railway Company has thus, in the view of the Government, a very large and important significance. The one reason for our entering upon those obligations was that that trade might be enjoyed by this country some years earlier than it would be if the original contract were carried out; and that the danger to which the Canadian portion of that trade was to be exposed, from the fixing of the trade in other channels for those three or five years, might be averted. Now, connected with that question of permanence to which some hon. gentlemen have alluded, the hon. member who spoke last gave us very positively a series of negative information. He told us most positively that as soon as the Canadian Pacific Railway authorities went over there and looked at the country, they would decide that Port Moody would not be the terminus. He did not tell us where it would be fixed, and I do not know whether he meant Esquimalt or Victoria or some other point, but he was satisfied that Port Moody was not to be the terminus. We know that that opinion is shared by the Minister of Public Works—or at least was shared by him when he was responsible for the conduct of that Department, and at a later date when he was in Opposition, and was discussing this subject of the Canadian Pacific Railway, when the Parliament of which my hon. friend from East York (Mr. Mackenzie) was First Minister, was drawing to its close. He has consistently declared, up to the latest utterance I recollect him making, that the practical terminus of the trade to which I have been referring was Esquimalt. If that be so,—I do not express an opinion—but if it be so, I maintain it is of the greatest consequence that the Island Railway should not be in the control of hostile hands—should not be in the control of those who are identified, not indeed with the Northern, but with the other Pacific Railway, the one which has its terminus at San Francisco. I think some observation on that subject from the Minister of Railways, who has doubtless considered this question in all its bearings, would be appropriate on this occasion. What is to be the effect, assuming the views of the Minister of Public Works, which I have referred to, and which were also originally the views of the whole

Government, led by the First Minister at that time, of fixing the terminus at Esquimalt. Of course for contract purposes it was not a point, nor to implement our obligations to British Columbia, for I have always contended that the obligations so to do was implemented when we got to the Pacific coast. But, in considering how the Canadian Pacific Railway is to pay, how the trans-continental trade is to be taken, it is of great consequence to the Dominion, irrespective of the contract altogether, that nothing should be done by us to prevent that being the practical means of obtaining the trade. If those views which the hon. gentleman held up to a comparatively late period as to the proper terminus be true, it is enough to say, as has been said from the other side, that as the main corporators in the new Company are the chief proprietors of the American Pacific Railway, that it is not at all likely that anything which would facilitate the trans-continental trade arriving *vid* Esquimalt, would be agreed to by them. One of their objects would be to utilize their possession of the Vancouver coal and timber lands, and the Vancouver railways, with a view of diverting the trade towards San Francisco, and at any rate, throw obstacles in the way of its going to the Canadian Pacific Railway. Now the next point which I think is of importance, from a general standpoint is the question of the coal supply. This question did not fail to attract the attention of the Minister of Justice when he was acting for the Government in the negotiations which resulted in the present arrangement, because you find that the 24th clause of the Bill which was agreed to by the Minister of Justice, on behalf of the Government of Canada, and Mr. Smith, the First Minister of British Columbia, is as follows:—

“The Company shall, at all times, sell coals gotten from the lands that may be acquired by them from the Dominion Government to any Canadian railway company having the terminus of its railway on the seaboard of British Columbia, and to the Imperial, Dominion and Provincial authorities, at the same rates as may be charged to any railway company owning or operating any railway in the United States, or to any foreign customer whatsoever.”

Therefore you see, that this question attracted the attention of these two parties. If so, there was a danger of the power over the coal lands of Vancouver Island to be acquired by this railway company being established to the prejudice of the Canadian Pacific Railway Company, the Imperial or Provincial authorities. There was that danger, and they proceeded to make an effort to guard against it. Now, the circumstance that these two Governments, who have surveyed the whole situation, who have considered of the whole matter, decided that there was a danger to be guarded against, leads me strongly to the belief that there must have been some danger to be guarded against; and the observation which was made by the hon. gentleman who spoke last, that there was no danger at all to be apprehended in this matter, not because of the 24th clause, but because coal is so abundant everywhere that it is of no consequence, and that in that respect there is no monopoly—I say that observation is not borne out. That observation is not borne out by the circumstance that the two Governments have felt it necessary to try and take care lest there should be a detriment from too high a price being charged for this particular coal. If it were the fact that coal was not nearly so plenty, but was to be found in such available localities that there would be no danger at all of any injurious result from handing over these lands to this corporation, we would not, I think, have found this clause in the Bill. There may be a great deal of coal in Vancouver Island; I have no doubt there is, but that is only half the question to decide. What is important with reference to a commodity so great, a proportion of the cost of which is due to the facility in getting it transported to the market, is not merely—is there coal there? but is it in localities where it can be got cheaply on board the railway or ships, so as to be cheaply transported? If you had not those conditions, then practically and for the