office these hon gentlemen were ready to build this railway and assure the country that its resources were quite capable of carrying on the work as they proposed to do at the time — (hear, posed to do at the time — (hear, hear)—and without increasing taxation—(hear, hear)—though they knew, as did every intelligent man, either in or out of the House, that it was impossible that a great, a gigantic, and enormous undertaking like this, as the leader of the Opposition described it, could be constructed without an increase of taxation ("Hear hear" and appliance.) When could be constructed without an increase of taxation. ("Hear, hear," and applause.) When these gentlemen said, as they boasted with quibbling, that this railway could be built without increasing the tax-ation, they knew that they were attempting to deceive and committing a fraud on the public. (Cheers.). It was not possible that anything of this kind could be done. No country in the world in our position could build a work of this character an increase. (Hear, hear.) How was it with these men when they were in power? Did they prosecute this work without any increase of taxation? On the contrary, the first act the late Finance Minister, a gentleman who had employed language unbecoming to gentlemen in Parliament, and which no gentleman would use towards another either in crease of three millions in taxes, and what for? To build this railway. (Hear, hear.)
The dream of the founders of Confederation had been to found in British North America great English-speaking nation on monarchial principles, and to overshadow the Repub-c to the south of us. (Cheers and laughter from the Opposition.) He saw the hon member for Gloucester (Mr. Anglin) sneer and laugh. From the antecedents of the hon gentleman they could expect nothing else. (Hear, hear.) The cry, as it always was with these gentlemen when they were in the cold shades of Opposition and had nothing to do with the matter under consideration, was "ruin," "ruin." (Applause.)
They had so long cried "ruin," "ruin," that neless they (the Opposition) were in the midst of it, he did not believe they were ever happy. (Cheers.) No wonder they were called the "party of ruin and decay." (Applause.) The Opposition would certainly not have an opportunity in this Parliament, at all events, of ruining the bright future of this years attentive to the contraction. young nationality by destroying the contract whether they liked itor not. Though not a lawyer, and not accustomed with block and razor to split hairs like the leader of the Opposition, he ventured the opinion that the hon gentleman's amendment was out of order. An amendment should affirm something-(hear, hear)-and this amendment was mere negative of the proposition before the House. (Applause.) He did not think that the point of order was worth urging, as enough time had already been lost by the obstructive tactics of hon. gentlemen. (Hear, hear.) The leader of the Opposition, posing as a great lawyer, had announced that the courts could not enforce the execution of this contract, but he (Mr. Bergin) believed the law could Mr. BLAKE—I did not make that state-Mr. BERGIN—It was substantially as I

being in or out of office. (Hear, hear.) In

have put it. Mr. BLAKE—No. Mr. BERGIN said he could not remember any statement of these hon. gentlemen being ted that they did not spring to their fee and say they were not bound by the state-ment. (Hear, hear.) He would show that the hon. gentleman on this occasion as in consection with the Oaths bill, and on other asions was entirely astray, and was not as great an authority on points of law as he Mr. Blake) would wish the House and ountry to believe. The hon, gentleman pro-ounded a policy that would make this country a part and parcel of the United States. Cheers.) What other result could follow he propositions which hon gentlemen oppomade from day to day. (Appla They urged that we should only be prairie section. If he could prairie section. If he could be so false that this country could be so false as to listen for one moment to the councils of the should despair of hon, gentlemen opposite, he should despair of its future. (Hear, hear.) But he did not eve that there was any American sym-

pathy in the hearts of the people of Canada (Cheera,) We desired a railway from ocean to ocean over our own soil, and we were not so blind and so ignorant but that we could see that the trade of this country was diverted or a little while through an American channel, and our railway was not built to the north of Lake Superior and west of the orth of Lake Superior and west of the Rocky Mountains, as the Globe predicted a ew years ago a hostile neighbour would put n end to the bonding system, and we would ave no outlet for the products of the North-Vest to the east or west. (Hear, hear,) The eople of the North-West, under such cirumstances, would break up Confederation and ask for union with the United States. ear, hear.) And more, our entire Custom em would be swept away, and the Northst would become part and parcel of the ted States, while the millions which we ave spent for the purpose of bringing the North-West into the Confederation, and to nake it the future happy home of a great, ree, and glorious British people, would be, lestroyed. (Cheers.) Self-defence would them to the nation south of the line.

with all these evils staring us in the face, and knowing the character of hon. gentlemen poposite, he did not think it was to be wonlered at that gentlemen who supported the covernment were united as one man and uld not be broken, and would listen to ther the blandishments nor threats of genin opposite, but would do their duty by ir country, even although hon. gentlen prosite possessed, as they said they did, all ae patriotism of this country. (Cheers.) t was a said day for Canada when fifty genlemen stood up before the whole country and claimed that they possessed all the iotism in it-(hear, hear)-and that one undred and fifty gentlemen who opposed hem were not patriots but partisans. (Hear, ear.) If he were inclined to be severe, and tise as he thought ought to be stigmaised such language towards gentlemen who

ainly ought to have, if they had not, as ch love of country as their opponents, he ould say that these gentlemen represented ot a party but a faction. (Cheers.) Mr. Mackenzie did not obtain any offer under their act for building this railway. The cause as said to be the flaru times, but the capitalists ason, in his opinion, was that the capitalists if the world had no confidence in hon. genlemen opposite. (Hear, hear.) If the con-rary was the case, money was not so scarce r dear to prevent it being sufficiently offered or the purpose. (Hear, hear.) But capital-ts had no faith in the Finance Minister who bited a shield, brazen on one side, and o lver on the other—(applause)—and had the

adacity to boast or the trick which he paper ated on the capitalists of London. (Cheers.) fr. Mackenzie had honestly endeavoured to uild the railway, and did, so far as he was ermitted by the band of patriots around him. ermitted by the band of patriots around nim.
Hear, hear.) In course of time, a
ommissioner was sent to British Coimbia—("hear, hear," and laughter)—
and they were informed that this ommissioner was instructed by the leader of the Opposition not to threaten British Columbia, but to nersuade the ia, but to persuade the people to accept the terms offered. (Hear, hear and laughter.) at they did not accept these terms, and the ader of the Opposition told the province hat it could go, though he denied saying so, and at the same time affirmed as much.

Mr. McINNES-What he did say was that ritish Columbia wished, she might go. British Columbia wished, she might go.

Mr BERGIN said he sincerely regretted nat Canada had been defamed by a man who elieved himself to be and was, one of the clest of persons. (Hear, hear.) This homentlemen had done everything possible to epreciate this country, and his words if detraction had gone into every lose and corner, every nook and cranny the wide world over. (Applause, in the world over.) the wide world over. (Applause, the wide world over. (Applause,) is exhibited the hon, gentleman's pamphlet ortrait to a large meeting in Glengarry, and very man in the vast assemblage hung his ead with shame that Canada should have an who would so defame her. (Hearear.) The hon gentleman intimated that conarchical institutions were foreign to the anius of the Irish people, and that their loves was for republics. He hurled the insinuation back, and would tell the hon. gendeman that Irish Catholics particularly, and irish Protestants also, resented the hon. gendeman's insult—(cheers)—and they were as loyal as the hon. gendeman himself. (Hear, hear.) He did not know that the hon. gendeman's heart of the country was a danger, shouldered a musket, but thousands of Irish Catholics did—(cheers)—and the history of the British Empire showed that wherever blood flowed freely in defence of the British Ling, the stream of Irish blood was not the mallest. (Cheers.) And if the British Ling, the stream of Irish blood was not the mallest. (Cheers.) And if the British Ling, the stream of Irish blood was not the mallest. (Cheers.) And if the British Ling, the stream of Irish blood was not the mallest. (Cheers.) Hon. gentle-men opposite were always full of patriotism in office. (Applause.) A few thousand dollars a year had a great effect in inspiring them with patriotism. It was disgraceful to palm off on the country this second and bogus proposition—(hear, hear)—and it was discredited in the eyes of the people. Even the Montreal Star said there could be not objectionable features of the present contract. The cloven hoof stuck our—cheers and laughter)—it was visible to everybody; it could not be concealed—(cheers)—these hon; gentlemen could not repeat twice in a lifetime the game in which they spaceded in life yes of the people. Even the Montreal Star said there could be not objectionable features of the present contract. The cloven hoof stuck our—cheers and laughter)—it was visible to everybody; it could not be concealed—(cheers)—these hon; gentlemen could not repeat twice in a lifetime the game in which they spaceded in the eyes of the people. Even the Montreal Star said there could be not objectionable features of the present contract. The cloven hoof stuck our—cheers and laughter)—it was visible to every be the proposition, and to the allusions to "my friend Moore." (Cheers.) This was impossible, the fact tha in a lifetime the game in which they succeeded in 1873. (Cheers.) This was impossible. The people were sick of the Pacific railway contracts, of the charges of corruption in this connection, and to the allusions to "my friend Moore." (Cheers and laughter.) All this sort of thing must be swept away—(applause)—the Ministerial supporters had eyes and ears, and noses as keen to scent corruption on their side as hon. gentlemen opposite, and if such were attempted, he knew that nearly every man would vote against the Government. They were not slaves, but what hon. gentlemen opposite claimed to be—sincerely desirous of doing their duty to their country, their whole duty and nothing but their duty. (Cheers.) He had nothing to gain except as a Canadian by the passage or rejection of these resolutions, would have nothing save the satisfaction of believing in his heart that he had done his duty to his country on such an occasion. He did not think that any body of gentlemen sincerely desirous of building the road would have withdrawn the exemption clauses. He had had experience as a non-resident in held. have withdrawn the exemption clauses. He had had experience as a non-resident in holding lands, and had paid more in taxes than the property was worth. (Hear, hear.) In self-defence the syndicate must charge moderate rates. (Hear, hear.) He had heard pothing since the commencement of th nothing since the commencement of the de-bate that could induce him for one moment people in consequence of the contract entered into between the Government and the syndicate. (Cheers.) So far from this, he had now greater hope for this country than be-fore. (Hear, hear.) He saw a great future in store for the Dominion, and he looked for-ward to soon seeing in the great North-West a happy, free, and powerful people. (Cheers.) But without this great transcontinental railway this glorious result would be impossible. He hoped to live to see this road completed in 1891, and that in crossing to the Pacific terminus he would have the proud satisfac-tion in knowing that he had contributed to the success of this great undertaking. (Great cheering.)
Mr. WHITE (Cardwell) moved the ad-

journment of the debate. The House adjourned at 1.35. THE PACIFIC CONTRACT. Mr. WHITE (Cardwell) resumed the de bate. He observed that the Conservative party had kept steadily in view the great importance of uniting thoroughly and indissolubly the whole Dominion extending from ocean to ocean. (Hear, hear.) Having reviewed the history of the Canada Pacific railway from its inception, and stated the policy of the Government in this relation since then, he said his attention had been called to a general view of the probable cost which the building of this railway would involve by the member for West Durham. When discussing the propriety of asking for tenders and complaining that the Government had and complaining that the Government had not requested tenders, the hon, gentleman quoted from the speech of the Minister of Railways last year, to the effect that if tenders were as asked for in the section between Red River and Kamloops, capitalists could un-doubtedly be obtained who would build the railway. The scheme then advocated was the construction of the line as a Government work, and this was the declared policy of the Government. He regretted that the hon. gentleman had not read further from the speech of the Minister of Railways, who stated that he had good reason to believe that an offer could be obtained which would secure the construction of the whole line from Red River to Kamloops, and the operation and maintenance of the road to the Pacific at a cost not exceeding \$10,000 a mile from Red River to Kamloops, and 26,000,000 acres of land. This clearly showed that the present which the House or country had any idea could be secured last year. It effected a saving of \$7,259 a mile. It was to be borne in mind that the present proposition purposed the completion of the whole work on British territory. The member for West Durham had raised two important questions with reference to this contract. The first was what are we to give the company? The other was, what are we to get for what we give? For what we give we would have first the immediate sale of 25,000,000 acres of land in the North-West : next, the construction of the railway which will make our alternate blocks valuable and saleable; next, large contributions from the new settlers to the revenue of the country, and what was also of no small importance an exact knowledge of our liabilities. The element of uncertainty in regard to the expenditure on the road was one upon which the member for West Durham dwelt last year, pointing out that the loss on running the road would be greater than the interest on the money borrowed for its construction. True, the hon. member did not wish to be held responsible one year for his statements at a previous session. True, the hon. gentleman held that when the Government had adopted a policy which was in accord with his previous views, he had a right to change his opinions on the ground that circumstances were changed. That was the doctrine of the leader of the Opposition, but it was a doctrine under which there was an end to all fair controversy. (Hear, hear.) They had, however, the amount fixed which revenue of the country, and what was They had, however, the amount fixed which the hon gentlemen opposite was prepared to give annually for the construction of this railway, as the Mackenzie Government stated that they had increased the taxation by three millions per annum for this purpose. (Hear, hear.) This statement was to be found in the document submitted to the Imperial Government, and under such circumstar if anywhere, public men ought to be careful and accurate in the statements they made. No one had a greater respect for the legal opinions of the leader of the Opposition, given by him as a lawyer, than he (Mr. White) had. But the House had seen enough of the hon. gentleman to know that his legal opinions given as a politician, and in the inter the Opposition, were not so valuable. hear, and cries of "Oh, oh," from the Opposition benches.) How had the hon, gentleman acted regarding the legal point raised by the hon, member for Lincoln? He gave such an opinion as to leave the impression that the courts could not interfere to enforce the contract, but he worded that opinion so carefully and ingeniously, that when the opinion he conveyed was questioned, he was able to point out that his words conveyed an idea experience of the conveyed and the c point out that his words conveyed an idea exactly opposite to the impression they left. (Cheers.) The legal opinion of a gentleman, who, in the interests of his party would act like that, was certainly not entitled to a very great deal of respect. (Opposition cries of "oh, oh.") It was very well for gentlemen to say "oh, oh," but the fact was no one had aunk lower than had the leader of the Opposition in dragging professional reputation

can do nothing nor get an acre without the consent of the Government.

Mr. MUTTART said that within the last

Mr. MUTTART said that within the last few days he had read a number of letters from his constituents who, in every instance, advised him to give his hearty support to the contract. The petition against the agreement which had been presented from the Island bore on its face evidence of forgery. A great number of names were written in the same hand, and 100 names were signed twice. (Hear, hear.) A more barefaced thing he never knew. (Hear, hear.) The petition contained the names of a number of dead and living Grits. (Hear, hear.) He read letters stating that the meetings held in opand hving Grits. (Hear, hear.) He read letters stating that the meetings held in opposition to the contract had been decided failures, and the residents of the Island generally felt that the syndicate bargain was the best arrangement yet submitted. Thenames of children and boys in their teens were placed on the restitions. Even respectable Grits discovered on the petitions. Even respectable Grits dis-countenanced the petition, and the people did not care how much land was granted to the company if the older provinces were spared to the company if the older provinces were spared the burden of building the road. He did not consider that the second offer was worthy of consideration, being evidently not serious; and he felt that he would be carrying out the wishes of his constituents y voting for the ratification of the contract.

(Cheers.)
Mr. DUGAS approved of the contract. He stated that it was contrary to the principles of the British constitution to submit a question concerning such complicated details to the vote of the people; and asked why hongentlemen opposite, who now insisted so strongly on such submission, had not so acted in connection with their scheme for building in connection with their scheme for building the road in 1874? (Hear, hear.) Mr. SPROULE drew a comparison between

Mr. SPROULE drew a comparison between the cost of various railways and the proposed cost of the Canada Pacific. The Union road, 1,079 miles long, cost \$112,259,360, or about \$113,110 a mile. The Central Pacific cost about \$114,388 a mile. The average cost of railways in the United States was \$60,425 a mile. The average cost of Pallways in Cánada had been \$54,532 a mile. The Canadian Pacific, which would be 2,700 miles long, would cost the country but \$103,000,000 according to the high estimates of the Opposiwould cost the country but \$103,000,000 according to the high estimates of the Opposition, which was a very small figure compared with the cost of other lines. (Hear, hear.) He denied that the people favoured the construction of the road as a Government work, and showed that by the present proposal the country was saving no less than \$24,536,400 As to the gentlemen composing the new syndicate, it was a notorious fact that the judges on the bench had commented on the conduction of at least one of them in a manner which just tified strong doubts concerning their integrity. He did not think it unreasonable to judge of others by the characters of those whom they knew. (Hear, hear.)
Mr. TROW said he was not favourable to

Mr. TROW said he was not involtable to either proposition, as he thought the Govern-ment could build the road cheaper; but of the two he preferred the second offer. He stated that the public and the press, even the Conservative press, opposed the first the Conservative press, opposed the first syndicate. The Boards of Trade at Toronto and Montreal had come out against it.
Mr. GAULT said the Montreal Boar Trade had passed a resolution in favour of the

syndicate, Mr. TROW proceeded to say that the peo-Mr. TROW proceeded to say that the peo-ple of his constituency opposed the scheme, At one meeting of 700 electors there was only one man who favoured the scheme, and that was the member for North Perth (Mr. Hesson), while several rabid Conservatives, including Mr. Guest, opposed it.

Mr. HESSON—Did Mr. Guest sign your

Mr. TROW—Said Mr. Guest, at all events speke against the scheme. He (Mr Trow opposed the proposal for one reason, be-cause he knew it was not to the advantage of ne country that it should fall into the hands Mr. RYAN, (Montreal)—Have not you mr. TROW—I am sorry to say I have

Mr. RYAN-But have you not bought

Mr. RYAN—But have you not bought some land up there?
Mr. TROW—I purchased 350 acres for my sons, and I do not think that was too much.
Mr. RYAN—Certainly not.
Mr. TROW said he had opportunities of purchasing a great deal of land in the North-West very cheaply, but his opinion that speculating in lands should not be indulged in had caused him to refrain. He would record with great pleasure his vote for the amendment.
Mr. ROCHESTER said it was well known that a company could get the work done

Mr. ROCHESTER said it was well known that a company could get the work done much cheaper than the Government, and for reasons that had been fully explained, it was desirable to hand over this undertaking to the syndicate, he would vote for the contract. He would say nothing against the members of the second syndicate. against the members of the second syndicate. He was acquainted with some of these gentlemen, and he knew that they would not put their names to a document in bad faith, but they had been deceived. Two or three days before this second offer was made, one of these gentlemen had told him that he would to God that the House would ratify the contract as it was the heat offerthe Convernment ever had and was the best offer the Government ever had, and was the best thing that could be done. (Hear, hear.) He would not give the gentleman's name, and did not know what had changed the gentleman's mind. Undoubtedly, the only object of this last offer was to secure the defeat of the Government. (Hear, hear.)

Mr. FLEMING moved the adjournment

f the debate.

The House adjourned at 1.55 a.m.

MANITOBA SCHOOL LANDS. Mr. FARROW inquired, is it the intentio of the Government to put the school lands in Manitoba into the market; if so, when, and

at what price.
Sir JOHN MACDONALD—These lands will be put in the market from time to time, as will be most advantageous to the school fund. The Government consider themselves trustees for these school lands, and will en-

owing to the chance of getting the work for-ward immediately, that it was the path of honour and duty to ratify the agreement— (applause)—and to vote down the amendment

(applause)—and duty to ratify the agreement— (applause)—and to vote down the amendment in two volumes placed before the House. ("Hear, hear," and laughter.) It was their duty to vote for the contract, the whole conract, and nothing but the contract. Mr. KILLAM expressed his disapproval of the contract, on the ground that the country could not afford to add \$25,000,000 to its could not afford to add \$25,000,000 to its debt. Besides this, the entire arrangement was too much in favour of the syndicate, while the country had but few advantages to gain from the bargain. He was unqualifiedly

opposed to the contract, and to the Govern-ment which was guilty of making it.

Mr. ARKELL said he did not intend to quote Hansard, three-fourths of that interest-ing work for years back having been already ing work for years back having been already flung across the House. (Laughter and applause.) The people of this country, he contended, were anxious to see the Canada-Pacific railway an accomplished fact. It was a great misfortune that the Sir Hugh Allan scheme for building it was a failure. In consequence of that failure the Reform party came into power. Their accession to office, though disastrous to the country, was not without a redesming feature, namely, the opportunity it gave the people of judging of the honesty and ability of Reform Government. It was not merely the National Policy which caused the defeat of the late Government. It was the general incapacity of its members. (Hear, Lear.) As soon as the present Government took office an endeavour was made to place the Pacific railway matter on a sound footing. the Pacific railway matter on a sound footing.
The Government had succeeded in doing this

The Government had succeeded in doing this so far, but strenuous efforts were being made by their apparently unpatriotic opponents to defeat the undertaking. If gentlemen opposite were imbued with that love of country which should characterize members of Parliament they would assist the passage rather than the defeat of the measure. (Applause.) During the Christmas recess a number of gentlemen on the Opposition side of the House held public meetings throughout the country. One of the mostactive opponents of the scheme was the member for West Elgin (Mr. Casey), who held meetings in his own constituency. In view of that gentle-West Elgin (Mr. Casey), who held meetings in his own constituency. In view of that gentleman's statements it might not be out of place to make a few observations as to the character of the meetings he held. They were small gatherings as a rule. (Hear, hear.) One meeting he called at Dutton, in the centre of his riding. When he arrived at the village he found there was needed there. found there was nobody there to meet him. Happily, however, there was a tea meeting in progress. (Laughter.) The hon. gentleman was appointed chairman of the tea meeting. (Renewed laughter.) About ten or eleven o'clock he organized a syndicate meeting, and made his little speech and passed his resolu-tions. He (Mr. Arkell) was not going to read the hon. gentleman's speech Several HON. MEMBERS-Oh, no; don't

lo that.
Mr. ARKELL—But he would point out some of the gentleman's statements. He stated that the cash bonus to the syndicate of Elgin, or \$31 a family. (Laughter.) By another calculation the hon. member made out that the total bonus to the syndicate was out that the total bonus to the syndicate was \$35 per capita of the population—(laughter)—or \$176 per family. This would be \$493,000 for West Elgin, or \$1,410,000 for the whole county. (Loud laughter.) After making such statements as that one would have thought, that the petitions the hon. gentleman had sent round would have been largely signed. The reverse, however, was the case. There were very few signatures, and half of those which were attached to the petitions were bogus. The hon, gentleman had come down into his riding at \$t. Thomas, and he had attended a meeting at which about \$00 were present. But the hon, gentleman, who came against the advice of his friends, never produced any resolutions and his efforts resulted in utter failure. The hon, gentleman shot as wide of the mark

dervour to gut for them the best possible price is order to form an eclinacional school building for the whole of the province of Municipal State of the Control of the State of the

showed faction and opposition in the count but this did not exhaust their resources. new syndicate appeared, and it occupied the position of the member for Gloucester, being position of the member for Gloucester, being open to doubt and suspicion. It seemed to be a put-up job, and it was uncommonly difficult to do that without detection. It had the stamp of suspicion from its very inception. It bore the mark of being conceived in fraud and brought forth in iniquity. It reminded him of what was said of the bill of Lord John him of what was said of the bill of Lord John Russell which turned out rather absurd. It was a child whose idiot features ancestral sins disclosed. (Laughter and applause.) Throughout the whole length and breadth of the country it was termed a fraud. (Applause.) Sir William P. Howland appeared to be the financier of this project, but he had better have kept his hand out of this nasty thing. This gentleman had been well paid, and should have been satisfied. He (Sir Wm. Howland) had been treasurer of the Mcand should have been satisfied. He (Sir wm. Howland) had been treasurer of the McDonald-Scott Government, which he had got in such a mess that the Government burst up in a year on account of his financial inability. Other members of the syndicate had been connected with the Hamilton and North Western will be a built as the syndicate had been connected with the Hamilton and North Western will be a built as the syndicate had been connected with the Hamilton and had been connected with the Hamilton and North-Western railway, which was built on the ground of honestly competing with the Northern railway, which was charged with imposing rather onerous rates. They obtained in bonuses on this plea about half the cost of the line, but they contracted among them-selves to build a road, botched the undertak-ing, and sold out to the Northern with which they were pledged to compete, committing a fraud on the men who granted the bonuses. The city of Hamilton, which so voted \$200. fraud on the men who granted the bonuses. The city of Hamilton, which so voted \$200,-000, threatened an action for fraud, and these men crawled around Hamilton on their stomachs, said they would starve if the action were pressed, and their families would be cast on the streets; they would not have a cent left, would be deprived even of their beds, and they got the proceedings stopped on the ground that they would be irretrievably ruined if the action were not stayed. On the double ground of fraud on those who entrusted these men with bonuses and of the pretence of ruin, he objected to such men being entrusted with the carrying out of such a transaction. Then there were Major Walker and H. H. Cook, etc. Their characters were known, and he did not think that the general composition of this syndicate ters were known, and he did not think that the general composition of this syndicate commended itself to the good judgment of the country. (Hear, hear.) But the new syndicate, like everything else the Opposition proposed, was of course good. No proposal of the Opposition could be anything but excellent according to them. If they got into office, the country must blossom like a rose; there would be no more taxation—(laughter)—and the railway would be built on a scheme different to that which any business man would propose. (Hear. any business man would propose. (Hear, hear.) For his part he could only account for the course of the Opposition by the fact that Grits, as a rule, had, hadly constituted

anyone else. (Hear, hear,) Mr. MACDOUGALL-I have abstained from taking part in this debate until the present moment on the main question which has been before this House, because I felt as an old member of Parliament and an ex-member old member of Parliament and an ex-member of the Government, and one who has in his official capacity had to do somewhat with questions closely connected with this, that it would be proper for me to hear the views and opinions of hon. members, some of whom have become members of this House only at the last election, and to observe, as well as I could, the progress of the agitation which has taken place in the country for the purpose of exciting—I will not say for that purpose alone—opposition to this scheme which the Government has submitted to Parliament with respect to the Pacific railway. I am one of ernment has submitted to Parliament with respect to the Pacific railway. I am one of those who have a very strong faith in the sober second thought of the people. From the beginning of my political life, new too many years ago, that has been my guiding star. I have endeavoured to ascertain first, what, according to my judgment, was in the interests of my country, and then, as

the Opposition. I pointed out, as I thought it my duty to do, what its merits seemed to be, what was contemplated by the Government in submitting it; and I also called attention to some features which seemed to be defects, some of them serious defects. I asked them to express their opinion for my guidance. I was asked by some who were active in the Conservative interests whether I would support this scheme in Parliament, if a majority of my constituents instructed me to do so. I said at once, "I can make no such promise; I am here for the purpose of hearing your views, of ascertaining the political pulse, so to speak, upon this subject, of Halton; not of the Conservative party only, because I hold—and I told you after my election that I would hold myself responsible to the people of that constituency at large—that in dealing with great questions in which all your interests were or might be affected, it was my duty to regard, not the political party who chiefly gave me their support, but the views, opinions, and interests of the whole body of the electors." I said that I wished to have the opinion not merely of the Conservatives, but of those who

ous propositions had been submitted to the meeting, made by leaders of the Liberal party meeting, made by leaders of the Liberal party as well as by prominent men of the Conservative party, that the public opinion of that constituency, so expressed, was favourable to the proposition generally which had been submitted by the Government to Parliament. It was favourable to it on this view; in the first place it seemed to be the unanimous opinion that it was desirable, if it could be accomplished, to take the construction of the Pacific railway out of the hands of the Government and the officers of the Governof the Pacific railway out of the hands of the Government and the officers of the Government, and to place it in the hands of the company of capitalists, a commercial company, who would construct, operate, and own it as a commercial speculation. They seemed to be of opinion that it would be preferable, in the interest of the country, that that course should be taken, if it could be accomplished without racking the buyden too heavy for the

without making the burden too heavy for the people to bear. Then, as to the amount of land subsidy. It was a very simple question—\$25,000,000 in cash, and 25,000,000 acres of land to be appropriated, the land to be chosen in alternate sections, so that the Government would retain everywhere adjacent to a section \$25,000,000 in cash, and 25,000,000 acres of land to be appropriated, the land to be chosen in alternate sections, so that the Government would retain everywhere adjacent to a section belonging to the company a section of its own, to be dealt with as the Government of the day, instructed by Parliament, might deem proper. If the policy of this country should in the future be to give away all the lands, to induce settlers to go into the country, it would be quite competent for Parliament to pursue that course with respect to the alternate sections. I do not think any intelligent man of that day, of either party, objected to the amount of land and money proposed to be given for the completion of this railway. Objections were made—and I think on the face of the contract they were naturally and justly made—to some features in it. I was able to tell them, with reference to the standard of construction which had been selected, that I understood that the syndicate had consented by one of its members, who. I was told, had a power of attorney to act for his colleagues, that the Union Pacific railway, as it had been delivered to the Government in 1873, should be regarded as the standard, the approximate character of which was to be the guite in the construction of this railway. (Hear, hear.) Then I was able to say that, before leaving Ottawa, I was assured by those who had it in their power to assure me, that, with respect to the exemption from duty of a

before leaving Ottawa, I was assured by those who had it in their power to assure me, that, with respect to the exemption from duty of a certain portion of the materials required for the construction of the railway, an arrangement would be made which would meet the objections with respect to that; that, in other words, those manufacturers in the country who are engaged in the making of railway materials should have no just ground of complaint against the Government, as this matter was entirely in the hands of the Government. With respect to the objection which has been raised here as to the roadway, the property of the company along the line, and the rolling stock exempted from taration, it did not engage my attention or the attention of those who were present very much; it was regarded as an infrom taxation, it did not engage my attention or the attention of those who were present very much; it was regarded as an insignificant objection, inasmuch as if the railway were constructed as a public road, the roadway would be exempted. As it has been the custom throughout these provinces to encourage the construction of railways by exempting them from taxation in some cases, and by bonuses in other cases, it did not strike me that that was a matter worth speaking of. But as to the exemption of the lands from taxation, it did strike most people, I confess, as a pretty serious objection. But it was explained to them that this exemption of lands from taxation was only operative in the case of municipalities being organized along the line of railway, owing to the presence of settlers—and that the time when this question would arise would be somewhat remoteover the greater portion of the line, inasmuch as the question does not arise in Ontario or Manitoba; because, I apprehend, it is well understood that the Government of the Dominion does not assume to contract with this company to exempt their road-bed in

the Provinces of Ontario or Manitoba-Sir JOHN A. MACDONALD-Or British

feeling among the Opposition that there was a power in the Government which was inexorable. I saw it in all the actions of Parlia-Columbia.

Mr. MACDOUGALL—Or British Columbia; so that the exemption of both road-bed and lands could only come into operation when we pass the western boundary of Manitoba and the eastern boundary of British Columbia. It did, therefore, seem to the gentlemen with whom that subject was discussed—although nothing was said of it in public—that that was not a very serious matter, or one which would justify me as their representative in opposing the scheme. The last question that was discussed at that time—because I went there for the purpose, honestly and sincerely, of ascertaining the real views of the people, and endeavoured to raise every material point for their consideration, and elicit their opinion upon it—was the question of monopoly; first, in regard to the prohibition against other railways crossing their line, or reaching the boundary, and making a neutral territory within fifteen or twenty miles of the boundary; and, second, with respect to the power of the company to impose such rates and tolls as they pleased, subject, of course, in the first instance, to the approval of the Government as in the case of other railways, and subject, in the next place, to that consideration which, on the face of it—reading the language of the contract in its ordinary, literal, grammatical sense—seems to require that there should be an earning of a profit of 10 per cent, upon all the capital expended in the construction of work, which, using the language in that broad sense, would seem to include in my judgment—it necessarily, and as a matter of law, according to the decisions of the American courts, includes—all the money and property which belong to the corporation. What is the construction which the courter of law will put upon this contract? Of course we are supreme; our law must prevail if we choose to make it against the company as they are subject, to a real and ment and was amazed; as an old Liberal, I
was offended; I said to myself: "If these
men represent the sentiments, the broad
views of responsible government, of which in
my earlier days I learnt from the lips of
Robert Baldwin, and other distinguished men
of the time, who fought and struggled with
the right hon, gentleman—at all events with Mr. MACDOUGALL-Or British Colummy earlier days I learnt from the lips of Robert Baldwin, and other distinguished men of the time, who fought and struggled with the right hon, gentleman—at all events with his political party—as they did, to secure for the people the right to have their well understood wishes expressed in Parliament, is it possible that these men, the successors of that political schoel, have so misunderstood its lessons that they have resorted to the means familiar to despotism in the conduct of the affairs of the country?" (Cheers.) Perhaps I was mistaken, perhaps some little irritation of feeling, personally—for I seemed to be a special object of hostility, at least it appeared so to me—may influence my judgment. I may have been mistaken; but they learnt a lesson. They found that the arbitrary system of the Government, that that dictatorial system that prevailed during the régime lof Mr. Mackenzie, that that personal government, that power which he practically exercised over this whole country and his colleagues, was unpalatable to the people. I found men, who in their provinces had held some position of prominence previously, unwilling to express an opinion upon a mooted question that might occupy the attention of the Government till they had consulted their chief, not even an opinion in the privacy of their bed-rooms or their offices. But that has passed away so far as the Liberal party is concerned; different ideas prevail to-day; and I am glad to notice, because I am observant in regard to such matters, that in this House and among the members of the Opposition there is a different feeling brevalent. I think that the hon, gentlemen who leads the Opposition now must consult his friends and ascertain their feelings before he undertakesto act. I think that lesson at all events has been learnt. I must say with regard to the hon, gentlemen who lead this House and govern this country, whatever differences may have existed between myself and them, and differences have existed, and exist to-day, yet I have always found them ame course we are supreme; our law must pre-vail if we choose to make it against the comvail if we choose to make it against the company, as they are subject to us, and we may choose to overlook the terms of this contract if we will. But most hon members of this House, and most honest people out of it, will say that we should be guided by a sense of justice, that we should respect our contract, and see that justice should be done in any change that should become necessary. (Cheers.) But reading that clause, it seemed to me and the hon gentlemen present on the I thave always found them amenable to reason; they will argue—they can be approached. You can speak your views to them, and sometimes I have thought I had seen occasions when they had listened to the views expressed by their political friends, not merely in matters of patronage or administration, but on matters of legislation and government. So, making this little excursion into the history of the past, with reference to the two political parties, I have come to this conclusion—that when I learned from hon, gentlemen closely connected with the Government that there is to be no such construction as I have described with reference to the meaning of that clause in the contract—that is to say, that the company, when it is organized and the road is in operation, will not be able to plead that they have a right to impose such tolls as they please until we can show they have earned the ten per cent. on the \$80,000,000 over and above the private capital they have contributed, and over and above their stock—I am disposed to regard with less disfavour the contract as it stands than when I visited my constituents in Halton. I told them I had a strong belief that with respect to the second. to me and the hon. gentlemen present on the occasion I refer to—some of them were legal gentlemen—that it meant that there should be gentiemen—that it meant that there should be a profit earned by the company on the whole expenditure made by the Government on the Thunder Bay section, on the Yale-Kamloops section, and on the Pembina section, as well section, and on the Pembina section, as well as on the \$25,000,000 to be given to the company for the construction of the railway—a total sum which would certainly amount to somewhere in the neighbourhood of \$80,000,000. If that be the construction of that part of the contract, if that is the position in which the country will be placed, if the people will not be able to revise, through the action of the Covernment, the tolls the charges the will not be able to revise, through the action of the Government, the tolls, the charges, the rates which may be imposed by this company for their own interest, we know what will be the result. We know how railway boards act in a matter of this kind. We have had, in questions that have arisen in England, a frank exposition by railway managers of the principle upon which they impose rates and charges. They hold that the shareholders are the constituents, that they are trustees for the shareholders, that they have nothing to do with the public except to get profits out of them. decan. The people of this country had suffered severely from the misrule of the m Hansard report I did not observe any clear and distinct statement on his part that that particular construction which I have attempted to describe was, or was not, the true one. However, I suppose it will be elicited before the bill has passed through its various stages what construction will be placed on that particular section. For my part it seems to me the company ought to be willing to trust to the equity, honesty, and judgment of Parliament in the future management of the road. They are receiving great aid in land, and great privileges on the face of this contract, and it does seem to me that in developing that new country, in which they will have so large an interest by reason of the quantity of land they hold, they ought to act harmoniously and in concert with the Government in dealing with a question of this kind. I have said before, not in this House, but out of it, that if any tleman would desire, the extent to which the 10 per cent. profit will apply. (Cheers.) Mr. MACDOUGALL—I am delighted to

not in this House, but out of it, that if any attempt be made by any company whatever in that North-West country to impose ex-

tortionate rates on the people who go there, neither the Government of Canada nor any Government will be able to enforce obedience to that state of things. (Hear, hear.) We cannot, in this British

Mr. MACDOUGALL—I am delighted to hear that statement by the leader of the Government. (Cheers.) It removes one of the most serious objections in the minds of some hon. members on this side of the House, as well as in the minds of intelligent-thinking people outside, with respect to this contract. Now, what has happened since the submission of the Government scheme to Parliament? Some gentlemen in Toronto, Hamilton, London, and other parts of the Dominion, have been induced to offer to take this contract, with certain modifications, at a certain lesser amount in money and in land; and my hon friend—I will call him so politically, although I am sorry to say we are not in the habit of communicating politically with one another, amount in money and in land; and my hon. friend—I will call him so politically, although I am sorry to say we are not in the habit of communicating politically with one another, and I do not think the fault is mine—the leader of the Opposition and many members on that side urge that the Government should withdraw from the arrangement which they have conditionally entered into with the first syndicate, as it would save to the country \$3,000,000 and \$3,000,000 acres of land worth a dollar an acre. It might seem to the country obvious that it is desirable to save \$6,000,000 by placing this contract in the hands of a new company appearing at present equally able with the other to carry out the contract. That does impress me as a very serious question for the members of Parliament to consider. It is, a substantial sum, an amount which, I believe, will impress most of the veters to whom we will have to appeal, after a couple of sessions, with a notion that it would have been well to have saved it. I should like to see my way to an honourable course, assuming that the Government could take such a course, by which the conditions could be improved in this respect. But I think it would be unfair for a member of Parliament, and especially any one on the Ministerial side, to ask the Government, as a corporation or committee of Parliament, to take a course with respect to a transaction of this kind which he should not himself be willing to take if he were a member of that Government. We must put ourselves in their place. We must not ask Ministers to do an act against which our own minds would revolt if we were clothed with the responsibilities of office. Can they retreat from the position they occupy? I do not say anything about the dreumstances which preceded this contract. That has been contended with great skill by the leader of the Opposition that under the Act of 1874 the Government do not assume, they do not come here claiming that this contract is and conclusive on that point, but, as I understand it, the Government (Hear, hear.) We cannot, in this British American Confederation, govern any province against the will or determination of a large majority of its inhabitants. Our only influence, our only power of control, is in the confidence of the people in our justice and honesty of purpose. We can govern, in other words, only by moral influence. (Cheers.) We have no physical power adequate in the suppression of any very large movement. words, only by moral influence. (Cheers.)
We have no physical power adequate in the suppression of any very large movement among the people in any province, more especially in the North-West. We must hold these people by reason of the feeling that we are dealing honestly and fairly with them, and that it is their advantage to remain part and parcel of the Confederation. If we put in the hands of this company the power to oppose them, and they exercise that power, a feeling of resentment will spring up in that country which no force we can use will subdue. (Hear, hear.) Therefore I say that no great injury can result from this clause, because it is impossible it can be put into force. Those who insist on it because it will become profitable to them, as well as those who represent the people of this country here, must both see that there must be a revision of those terms. The people must feel that they are not at the mercy of a soulless corporation, but that they are under the protection and control, and have the assistance of, the Government. That provision in my mind is a most important one. (Hear, hear.) It includes or excludes many of the objections that have been pointed out by gentlemen opposite. It is true we have sometimes experiences that do not indicate a very great amount of independent action on the part of supporters of the Government. I sat some time ago, by have been pointed out by gentlemen opposite. It is true we have sometimes experiences that do not indicate a very great amount of independent action on the part of supporters of the Government. I sat some time ago, by permission, on the floor of this House, during the "régime of the Liberal party. During that time the hon. member for Lambton, who was for many years a personal and political friend of mine, was at the head of affairs, and the hon. gentleman who now leads the Opposition—and leads it with such distinguished ability, leads it I believe so far as parliamentary knowledge, legal skill, oratorical power, perhaps with more distinction, with more remarkable success than any leader of that party within my time—was in his Administration. (Hear, hear.) I remember when he first took the political stump. I, though not pretending to his ability, did not regard him as a very formidable antagonist before the people, but I would so regard him now, because I see he has made grand progress in all those arts which enable a public man to conciliate and secure the confidence of the multitude. When in the House on that occasion, I observed the tyranny of Government, the power of the Executive to impress its views and control the action of members of Parliament, was more pronounced and exercised a greater influence over Parliament than at any time since 1850, when I first entered Parliament. (Hear, hear.) There was in the House a Sir ALBERT J. SMITH-The Minister of

Sir ALBERT J. SMITH—The Minister of Railways saidso.

Mr. MACDOUGALL—I did not so understand it, and the very fact that the contract is before us to-day; that we have to pass an Act of incorporation, ab inite, proves, I think, that this contract is not contemplated by the Act of 1874—though the purpose which it is intended to serve may be the purpose indicated in that Act. It is an action of the Government outside of the Act of 1874, but within the spirit of it, within the motive and the intention of that Act. This is a proposition to hand over the construction of the remainder of the Canadian Pacific railway, and that was an alternative which was contained in the Act of 1874. I think, however, that when the Government of that day, the Government of the day, il Government of the day, il Government of the hon. member for Lambto adopted the other alternative, although the said, "We have the power of either construc-ing the road as a Government work or han