

of the Manitoba and North-western Railway to which the hon. leader of the opposition has referred, it starts at Portage la Prairie and goes out into the great western prairie where there is no terminus and no population. To Russell where I live there is only a weekly service. To Yorkton, the terminus, there is only a weekly service. You cannot expect rapid development under such circumstances, or great earning power, especially where there is no western connection with the Canadian Pacific Railway. Under the rates that are being charged at present on the Canadian Pacific Railway, it is self-evident that those portions of the line from Winnipeg westward in the province of Manitoba are eminently profitable. If they are not profitable where the population exists and production exists, what is it that maintains the mileage earning of \$1.50 per mile? or for \$2.50 per train mile as it must be in the case of the 3,500 miles west of Callander. I mention that to show that in the case of the Canadian Pacific Railway it is eminently profitable. Why is it profitable? Because the road maintains a daily through service and maintains itself in a state of efficiency that gives every facility to the population along the line to produce successfully so far as the management of the road is concerned. When it comes to the question of the division of profits between those who produce and those who take the money for the traffic, then I must diverge from them, but when it refers to the management of the road, I say they deserve all the success that has attended their management for the way they have conducted their road. We see the flourishing towns of Moosomin, Virden, Brandon and other towns along the line. We see prosperous settlements growing up every eight or ten miles along the railway. Is it not a great advantage to Canada that that should be so? If new districts can be opened up, will it not add to the wealth of Canada? Is not a great portion of the earnings of the people out there drained through eastern Canada in consequence of the distribution of the products of their industry year after year? Have we not in one year sent out 15,000,000 bushels of wheat and some 35,000 head of cattle? Is not that an advantage to the people of Canada? The people in eastern Canada are as much interested in the development of that western

country as the people out there, and therefore we should approach this question not in a spirit of hostility or viewing it as a diversion of traffic to another route, but as a measure calculated to advance the prosperity of that country in order that the whole of Canada may benefit from the enormous exporting power it possesses. The soil is all ready for the plough, the grass is there for the cattle to feed upon and all that is needed is additional labour to extend the producing and exporting power of the people of Canada and to add to the greatness and wealth of the country. At the present moment the Hudson Bay Railway has a land grant of 6,400 acres per mile within the bounds of the province of Manitoba, and a land grant of 12,800 acres per mile beyond the boundaries of Manitoba. The route is divided into two portions; the first is looked upon as a colonization road, through a good region, and the other runs through a rocky region. Then there is a grant of \$80,000 a year for twenty years in order to extend it as far as the Saskatchewan River. The promoters of the road found that they could not raise the money on that grant; they could not induce capitalists to go into it as a colonization railway upon such a magnificent grant as that. There must be something wrong with the credit of the country, or the railway credit of the country, or with the enterprise itself, if a grant of \$80,000 a year for twenty years, backed by a land grant of six thousand four hundred acres per mile and the ownership of the railway itself going through a fertile country, does not induce capitalists to invest money. It may be a combination of the whole three which prevents capitalists taking hold of an enterprise of that kind. Unfortunately the Manitoba and North-western Railway has been placed in the hands of a receiver, and the North-west Central Railway has been placed in the hands of a receiver in consequence of a fight between the company and the contractor. It is the interest of Canada to assist in the development of country through which these railways pass, by promoting railway enterprise. It is utterly impossible for a man to drive his grain 50, 60, 70 or 80 miles to market. We can go out there and live no doubt—one might possibly go to the North Pole and live, but he would have to live out there alone. If a man going into that country and settles in a far off