to that distance, making so much greater the amount which, after the elections of 1874, Parliament placed at the disposal of the leader of the Government for the construction of the railway, because you will remember the then Government located the terminus of the railway, not at the Callendar Station, where it is now and where it was first located by the former Government, but 40 miles south of that point. Therefore, under that act the hon. gentleman would not only have been obliged to spend $104,887,500 at the lowest computation, but to provide for the construction on the same terms, of 40 miles more to bring the railway down to the terminus as located by the then Government. That will add $400,000 in cash, $300,000 in money at four per cent. on $7,500 per mile for 25 years, and $800,000 in land at a dollar an acre, or $1,500,000 annually to make the estimate strictly correct. Now, sir, having shown that Parliament had placed at the disposal of the Government of my Right Hon. friend (Sir John Macdonald) in 1872 $84,700,000 for the construction of the work, that Parliament had placed $104,887,500 at the disposal of the leader of the Government in 1874, to which we must add the $1,500,000 to which I have just referred, I now come to

THE PRESENT CONTRACT,

which is laid on the table of the House for its consideration, for a portion of the line from Fort William to Selkirk, 410 miles, the Pembina branch, 85 miles, and a portion from Kamloops to Burrard Inlet, 217 miles, all of which, amounting to 712 miles, when the whole line is completed, is to be handed over as the property of the Company. The total amount expended and to be expended by the Government, including everything, is $28,000,000. The Government have agreed to pay in addition to the $28,000,000, $25,000,000 and 25,000,000 acres of land, making a total subsidy in cash of $53,000,000, and in land, estimating the 25,000,000 acres at the same rate that I have estimated the land under the contract of 1873 and under the Act of 1874, at $1 an acre, of $25,000,000, or a total amount of $78,000,000. I think, sir, warranting the statement with which I commenced my remarks, that these terms are greatly below any terms that have previously been sanctioned by Parliament. The matter then stands thus: under the contract of 1873 $84,700,000; under the contract of 1874 $104,887,500, with $1,500,000 added to bring the road down to the point at which under that act it was to be commenced; under the contract of 1880, now laid on the table of the House, $78,000,000. Now, sir, let me draw the attention of the House for a moment, in order to show that in taking the Foster contract as the base of calculation as to what the cost under the Act of 1874 would have been, if it could have been accomplished at all, it was a reasonable estimate, an estimate, in fact, below the mark, to the words of the leader of the late Government with reference to the character of that section. The hon. gentleman said, as will be found in the *Hansard* of 1876:—"Because he would probably refer to this matter at another time in the House, he would now simply say this: that what was published in many newspapers as to engineering difficulties encountered in this relation was entirely fallacious. No difficulty had been experienced in obtaining the grade that was required in the original contract, the gradient not exceeding 26 feet per mile for the country eastward and 52 for the country westward. In only two places was there any difficulty in securing these gradients; these the engineers assure me can easily be overcome. The explorations in the immediate vicinity of French river show that the line traverses a rocky though not hilly country." This shows that I have ground from the opinions of the hon. gentleman, for my statement that that would be a fair estimate.

THE VALUE OF THE LAND.

I will now draw the attention of the hon. gentlemen opposite to my authority with reference to the terms. This may be necessary, as the position now taken by the Opposition, as may be assumed from that taken by the *Globe*, is that it is idle to talk about estimating the land at $1 per acre, when everyone knew it was worth $2 per acre. Well, I shall be only too glad if that can be established, but it will not do for the leader of the Opposition or the leader of the Government to meet on that ground, and I will show you why I draw the attention of the committee to the statement made by the leader of the Opposition (Mr. Blake), when we were discussing the Foster contract, and I had ventured to value the land at $2 an acre. That was in 1875, and the hon. gentleman will find his remarks on page 541 of the *Hansard*. The hon. gentleman said in reference to that point:—"It is an entirely absurd calculation to say that these 1,700,000 are worth $2 an acre to this country. Even valuing them at $1 an acre would in my judgment be an excessive valuation." Then the leader of the late Government gave his opinion on the subject; the hon. gentleman said:—"I do not place their value at $5 an acre. I wish I could say that they were worth $1 an acre." But whatever the value may be, I am confident I express the views of the committee when I say that whatever value may be obtained for them over $1 per acre, and I hope it will be greatly over that rate, will be obtained not in their present position, but in consequence of the construction of the Canada Pacific Railway. In 1879 the hon. gentleman said:—"I do not understand why the hon. gentleman anticipates a larger revenue from the lands to be sold, because it is absolutely indispensable, in order to induce settlers to go into the country, that we should furnish them with the lands free of charge. Does the hon. gentleman imagine that settlers will go to the Northwest and buy lands at $2 an acre when there are millions of acres of land offered for nothing in the United States?"

Sir JOHN A. MACDONALD—Hear, hear.

Sir CHARLES TUPPER—If we are able to make these lands worth $2 an acre, we will do it by the agency now proposed to construct the railway by the expenditure asked for the purpose of ensuring its construction. The leader of the late Government also said:—"We must, therefore, make up our minds if we are to settle that country, it will be done only at the expenditure of a large amount of money to aid settlers on going in and giving them land free after they get in. That is my conviction. If the hon. gentleman's expectation should be realized of getting $2 per acre for those 100,000 acres, I will confess to him that I have been utterly mistaken in my ideas upon this subject." So much for the value of the lands. Now, sir, as to the cost of the work. I have estimated the lands a $1 per acre, but I will assume for the sake of meeting the present views of the hon. gentlemen opposite half way, that they will be worth $1½ an acre, and we will see then how the account will stand as between hon. gentlemen and ourselves, how far my statement with which I opened this discussion will be borne out. If you value the lands at $1½ per acre, the contract of 1873, founded upon the offer to secure the construction of the Canadian Pacific Railway to the Allan Company, will show a total of $112,050,000; how will the account then stand? Applying the same principle to the Act of 1874, it will show $132,857,500 placed at the disposal of the Government of my hon. friend opposite for securing the construction of the road. Placing the lands at $1.50 an acre, he account we have laid on the table shows a total of $90,500,000. If we go the whole length the *Globe* asks, and I do not say it is unreasonable, and assume those lands to be worth, after the construction of the road, $2 an acre, the account stands thus as between these various proposals:—The proposition of 1873 placed at the disposal of the Government lands at $2 an acre worth $139,400,000. At the same estimate the value of the lands placed at the disposal of the late Government was $160,825,500. The present proposition at $2 an acre reaches a total of only $103,000,000, or less than the amount at $1 an acre placed at the disposal of the late Government by Parliament. I think this statement ought to be tolerably satisfactory. I will now give hon. gentlemen opposite an authority as to the cost of this work about to be undertaken that I think they will be compelled to accept. On the 12th of May, 1874, Mr. Mackenzie said:—"From that point westward it is quite clear that there is no means of rapid communication except by building a railway, and this portion in British Columbia alone would take $35,000,000, and from the point which Mr. Fleming calculates as the centre of the Rocky Mountains, eastward to the junction with navigation, would probably be $100,000,000 or something like that." There is an estimate from the leader of the late Government, the then Minister of Public Works, and submitted to Parliament on the authority of his own engineers with all the judgment and experience that could be brought to bear upon it, that $100,000,000 would be required for the road from Lake Superior at Thunder Bay to the Pacific Ocean, and yet the present proposition secures the construction of the entire road within ten years from the 1st of July next, from Lake Nippissing to Burrard Inlet at a cost to the country at the estimate hon. gentleman opposite placed on the lands, of $78,000,000.

THE VIEWS OF MR. MACKENZIE IN POWER.

One would have supposed the member for Lambton would have stood aghast at such an estimate as $100,000,000 for the portion of the road mentioned, and would have abandoned it as beyond the resources of Canada. But standing as the Prime Minister, and weighted with the responsibility which rests on such a high officer, he felt he must not shrink from his duty and he stated as to the section in British Columbia, that would cost $35,000,000, "we propose to proceed with it as rapidly as we are able to obtain a completion of surveys." He also proposed to expend $100,000,000 if necessary to connect the waters of Lake Superior with the tidal waters of the Pacific. The leader of the late Government also said:—"We frankly recognize the failure of the attempt to give a fictitious value to lands in order to get English capitalists to take up the railway, but we also frankly confess the necessity of building the railway by direct money subsidies or a combined system of giving both money and land." The hon. gentleman gallantly performed his duty, and did not shrink from the responsibility, arduous and responsible as was his position. He said:—"We propose to give $10,000 per mile, and a grant the same as that proposed by the late Government of 20,000 acres, and we invite intending competitors to state the amount for which they will require the guarantee at 4 per cent in order to give them what they may deem a sufficient sum wherewith to build the road. We know that some think $10,000 per mile and 20,000 acres of land, supposing they realize on an average $1 an acre, will not build the road. It would more than build it in some parts, but from end to end it is evident it will not build it. The Intercolonial Railway will cost about $45,000 a mile traversing on the whole a very favorable country. The Northern Pacific Railway, in the accounts published by the Company, has cost, so far as it has been carried, that is to Red River, $47,000 or $48,000 per mile in round numbers. That road traverses almost wholly a prairie region, easily accessible, and where materials were easily found, and is altogether quite as favorable as the most favorable spot of any part of our territories, with this advantage, that it was much nearer to producers of supplies than any portion of our line except that on the immediate borders of lakes. The Central Pacific we will not touch, as the cost of that road was so enormous as not to afford any guide at all, because of the extraordinary amount of jobbing connected with it, but judging from the cost of our own railways, we have reason to suppose it will not be possible to construct this line from end to end at a less price than $40,000 per mile, and it may exceed that by several thousands of dollars. Parts of it will of course exceed that very much, though on the whole of sections east of the Rocky Mountains something in the neighborhood of that figure will cover the outlay." The leader of the late Government further stated that the road could not be built as a commercial enterprise, and expressed a desire that the gentlemen who undertook that responsibility should show him how it was possible to construct a railway 2,500 miles long with a population of four millions, passing during almost its entire length through an uninhabited country, and for a still greater portion of its length through a country of a very rough character. I am glad the time has come when, in response to the hon. gentleman, we are in a position to show him how that gigantic work can be accomplished and upon terms more favorable than any the most sanguine person in this country ventured to look for, and I ask the hon. gentleman not to forget, now that he is sitting on the Opposition benches, that in estimating the cost as a Minister he felt he would not be doing his duty if he did not draw the attention of the House to the fact that when this road is constructed

THE LIABILITY RESTING UPON THE COUNTRY

will not be discharged but just commencing. The hon. gentleman went on to say:—"Supposing it only takes the minimum amount estimated by Mr. Sandford Fleming, $100,000,000, you have a pretty good appreciation of what it would cost the country, in the end. When you double the debt of the country you will not be able to accomplish the borrowing of the sum of money that would be required to build the road, paying the attendant expenses of management and the debt and everything else connected with it." The hon. gentlemen opposite last session also enforced very strongly on our attention the fact that if we went on with this work as a Government work and stood pledged in the face of the country and of the financial world to an expenditure of eighty to a hundred million dollars for the construction of the railway, we could hardly be surprised if it increased the cost of money we were obliged to borrow in the money markets of the world. He said:—"If you add six per cent. upon the minimum amount to the existing obligations of the country, you will have in addition to our present annual burdens six millions of dollars, which, added together, would make a continuous application of twelve millions of dollars before you have a cent to apply to the ordinary business of the country." A rather startling ground for the hon. gentleman to take, but one which commended itself to all those who listened to the hon. gentleman's address. The hon. member for Lambton continued:—

Then we come to the consideration of what would be the position of the road after it was completed. We have Mr. Fleming's authority, that until at least three million people are drawn into that uninhabited country, it is quite impossible to expect the road to pay its running expenses. Mr. Fleming estimates these at not less than $8,000,000 per annum, and they have still further to be supplemented by the proportion of money required each year to renew the road. It is known, moreover, to railway authorities that, considering the difficulties of climate, and with the ordinary traffic, the road will require renewal, by sleepers and rails every eight or ten years on an average." First, we would pay $100,000,000 to build the road, next $8,000,000 annually to operate it, subject to the deduction of whatever traffic the road received, and thirdly, we would have to renew sleepers and rails every eight years unless we used steel rails. This is the pleasant picture which the hon. gentleman himself drew for the consideration of the House and country, and now it appears he hesitates to secure the construction and operation of this road forever at a cost of $78,000,000. My hon. friend the leader of the Opposition, no longer than a year ago was good enough to give the House his opinion as to the cost of this road and the liability that would be incurred, and I invite his attention to his own estimate, as he then gave it. He said:—"Again, of course, the through traffic depends on the road being first-class, and we must remember that after we have spent all the hon. Minister proposes, we shall have not a Pacific, but a colonization road. According to the old system of construction, that central section would cost including the other items I have mentioned, altogether over $42,500,000, leaving out entirely both ends. What are the ends to cost? $45,000,000 is, as I have stated, the cost from Edmonton to Burrard Inlet on the west, and from Fort William to Nipissing on the east. The hon. member for Lambton estimates it at a length of about 650 miles and a cost of $32,500,000; thus the ends make up together $77,000,000, the centre and the past expenditure $42,500,000, making a total of $120,000,000." And yet the hon. gentleman is startled and astounded, and exhibits the most wonderful alarm when he finds a proposal laid on the table of the House to secure the construction of all that work, which at the cheapest rate was according to him to cost $120,000,000, for $78,000,000. And the hon. gentleman proceeded to say that "besides this enormous expenditure to which he had referred and this agregate he did not know how many millions, interest on which would be six millions a year, they had to consider running expenses which Mr. Fleming estimated at eight millions, and which his hon. friend estimated at the gross sum of $6,750,000 a year for the whole line, or $4,500,000 a year from Fort William to the Pacific. Of course against this sum was to be set receipts which in some sections perhaps would meet expenditures, but in the early days, if not for a long time, he believed the road would have to be run at a loss." I know that this is an authority for which the leader of the Opposition has most profound respect (cheers and laughter) and I trust that in submitting such criticisms, as in the interests of the country every great measure of this kind ought to receive, the hon. gentleman will not lose sight of the position he took in criticizing our proposal twelve months ago. I will again revert to the criticism with relation to the cost, of a more valuable character than that of the leader of the Opposition. No person perhaps esteems the hon. gentleman's ability certainly as a special pleader, higher than I myself, or his general judgment when he gives questions the fair, candid unbiassed examination which a question like this deserves, but does not always receive.

A LIBERAL AUTHORITY.

But I will give the House an opinion which I estimate more highly than that of the leader of the Opposition, and that is the opinion of the gentleman who for five years as leader of the Government of this country dealt with this great question, and was daily and hourly conversant with all its details, I mean the leader of the late government. After all his experience, and after the experience of a year in opposition as well as of five years of administration, he undertook to give to the House his estimate as to what the road would cost, and I frankly confess that I am not for a moment disposed to question the value of his judgment. He said:—"I will take the description of the engineers themselves as to the character of the work upon the several sections from Fort William to Selkirk, and carry out figures elsewhere on the same description. Seventy miles were described as heavy, 226 miles moderate, and 114 miles light; and, in order to reach the $18,000,000, which the engineers had recently estimated, they would have to take the seventy miles of heavy work at $75,000 per mile; the 226 miles of moderate at $39,000, and the 114 light at $20,000, making altogether, with the rolling stock valued at $1,656,000, $18,000,000. From Selkirk to Battleford, the first 112 miles are described as light, which, with the rails, fencing, etc., might be estimated at $14,000 per mile, or $3,000 less than the Pembina Branch; and the second 100 miles I have taken and calculated as to the materials furnished by Mr. Marcus Smith, and I do not believe that any gradient can be obtained on that section to build the road at less than $20,000 per mile." Subsequent events have thrown perhaps a good deal of light on the tenders sent in and contracts undertaken. No progress was made on the contract, as the hon. gentleman knows, and judgment which the hon. gentleman has given as to cost, had thereby received very considerable confirmation. He further said: "We have in some miles a quantity of 39,000 cubic yards of earth to move, and all grades steep, only kept fifty-three feet to the mile, many of them are fifty-three feet. The average of excavation is 16,000 cubic yards per mile. We have, in short, 1,600,000 yards of earth to move which, at the lowest price per yard obtained on other roads, say twenty-five cents on the average, this of itself will cost $400,000." * * * * * * "This was almost the exact value of the earth work alone, leaving nothing for bridges, ties, rails, building fences, and other items." * * * * * * "From the end of the second hundred miles to Battleford we have 377 miles. This is not any heavier on the whole. There are some more formidable bridges, but the line is further off for the carriage of the rails. I place that section at $21,000 per mile." I draw the attention of the hon. gentleman to this now, in connection with the amount proposed to be paid under this contract for the central section. As I have stated, opinions which the hon. gentleman has formed after long experience, as to the lowest amount at which it could be constructed, are entitled to very great consideration.

Mon. Mr. MACKENZIE—You did not give much attention to them a year ago.

Sir CHARLES TUPPER—The hon. gentleman says I did not give much attention to them a year ago, but looked at in the light of subsequent events, I am disposed to admit that there is a great deal in the argument of the hon. gentleman. He again said:—"Then from Battleford to Edmonton, it is reported by the engineers as thirteen miles very heavy; this I estimate at $60,000 a mile, being $10,000 less than the other heavy work east of Selkirk." I hope that when the hon. gentleman has criticised the amount which we propose to pay in the central section, he will not forget that it covers 13 miles, which he estimates at $60,000 a mile, $10,000 less than for the heavy work east of Selkirk. Still further:—"Forty-nine miles more of the line classed as moderately heavy. I put it at $30,000 per mile; and seventy miles very moderate, at $25,000, with ninety-eight miles of light work at $20,000 per mile, which makes for this section altogether an average of $27,000 per mile." The hon. gentleman said we have constructed the line from Pembina to Selkirk, 85 miles. This is a prairie, and a most favorable region, and he stated that the amount I submitted on estimate last year was $1,750,000 for the Pembina branch, but that included more than my estimate now includes for the Pembina branch, and for the reason, as hon. gentlemen will see, the heavy expenditure charged to that branch for workshops, rolling stock, etc., will now devolve upon the company, and consequently now reduce the estimate to $1,500,000.

Hon. Mr. MACKENZIE—Give us a detail of the reductions.

Sir CHAS. TUPPER—All I can say is, that I took the estimate of the engineer, charging what was fairly chargeable to that road—buildings in connection with its operation—and the amount of the Pembina branch was therefore placed at $1,750,000. We now reduce that by $250,000, because, as I say, the expenditure we would have had to make immediately in connection with the work now devolves upon the syndicate under the contract. But the House will see that, according to the estimate which I laid on the table last year and which the hon. gentleman thought altogether below the mark, the Pembina branch, a prairie line from end to end, with no very heavy bridging, according to my own estimate last year was over $20,000 a mile, but when it is handed over to the Syndicate, $17,270 a mile. The hon. gentleman continued:—"This would make the entire cost of the road west of Lake Superior, including $1,440,000 for the Canada Central subsidy, $100,000 for the Selkirk bridge, and $300,000 for engineering on 1,946 miles, $89,002,000." Now, there is his opinion. I have shown the opinion of the hon. leader of the Opposition that this work, for which we have shown this contract asks Parliament to place at our disposal $25,000,000, according to the estimate of the leader of the Opposition a year ago was to cost $120,000,000, and according to the estimate, the more mature and reduced estimate of hon. gentleman best qualified to judge on that side of the House, was to cost this country $89,002,000 in cash. There was no question of land. We were dealing with the lower estimate of the cost in cash taken out of the treasury of Canada, and the estimate of the hon. leader of the Opposition was in round numbers $90,080,000. But I am wrong. I am doing the hon. gentleman a great injustice. The case is a great deal stronger. I am not able to show there is a diversity of opinion between the hon. gentlemen. I find that they worked it pretty nearly to the same figure. I was leaving out that section north of Lake Superior, but the hon. member from Lambton brings that in and shows that west of Lake Superior from Thunder Bay to the Pacific the lowest that we could build it for was $89,000,000 in cash. Let us see what he says about the railway to the head of Lake Superior:—"While from Fort William to Nipissing, 650 miles, estimating the cost at $50,000 per mile, would make it $32,500,000, or a total of $121,700,000." So that these gentlemen are not open to the challenge that on a great public question their estimates differ, after careful consideration, weighing well the responsibility of placing before the House statements that were cautious, judicious and safe, upon which the people of this country could safely base their estimates, both of these gentlemen agreed a year ago to be the Canada Pacific Railway with money borrowed for the purpose and expended in cash; the correct estimate that this railway from Lake Nipissing to Port Moody, Burrard Inlet, could be accomplished for was $120,000,0000 to $121,700,000. The hon. gentleman continued: "It will be observed, if we apply the figures as I apply them, that is calculating the expenditure east of Red River between Lake Superior and Selkirk, that it would be impossible to obtain the same character of road as to gradients and curvature for less than I have estimated. I am sure I am within the line in stating these figures, and that it would be impossible to construct anything that could be called a railway, anything better than a tramway for less." That amount was $84,000,000, and yet it was only to be a tramway, and the only possible means of getting a line that could be called a railway was by an expenditure of $121,000,000. He continues:—"The hon. Minister of Railways thinks it matters little what grades we have west of Winnipeg. He thinks it will suffice for traffic. I observe that the chief engineer, with his usual caution, does not speak of it as the Canadian Pacific Railway at all; he speaks of it as a colonization road, and it is only that. The hon. Minister of Railways who is entitled to the credit or discredit of this plan of degrading the railway into a track that will not be fit for heavy traffic." I am thankful for small favors, and I am willing to take the credit or discredit of having stated frankly to the House that my idea was not to obtain a first class railway, but the cheapest description of road that would answer for colonization purposes. I have given the House the estimate of the two hon. gentlemen, and I should be wanting very much in my duty to the House if I did not show them that that hon. gentleman himself did not regard the construction of the Canada Pacific Railway as no very light matter, and held very much the views and opinions of his two hon. colleagues.

SIR R. CARTWRIGHT'S ESTIMATES.

Sir Richard Cartwright, in 1874, in his budget speech, said:—"In order rightly to understand the extent of the burden we would be required to take upon ourselves for the construction of the Canadian Pacific Railway, it must be remembered that the lowest estimate for building this road to the Pacific is something over $100,000,000, and this, too, on the supposition that a very much longer time would be given for construction. Now, Mr. Chairman, I spoke before recess of the expense arising from the working of the Intercolonial Railway and other railways of the Dominion, chiefly in the Maritime Provinces. The deficiencies resulting from these sources amount to the extraordinary sum of about $1,250,000. I desire to call the special attention of the House to a fact which must be clear to every hon. gentleman that these railways run for the most part through a country which has been settled for the last 50 or 60 years. I cannot refer, of course, to the fact that these railways entail such an enormous expenditure without its becoming apparent to the House that the cost of maintaining a railway nearly 3,000 miles in length, passing through a country almost entirely uninhabited, must of necessity be very much greater. For a long time after the construction of the railway an enormous charge must be entailed to keep the line in full working order and good repair, and this fact must be steadily kept sight of in considering the real character of the project." I trust I have given to the House sufficient evidence to show not only that the proposition which we have the honor to submit for the approval of Parliament is one entitled to their favorable consideration, not only that it is greatly within the amount voted by this House in 1873, and subsequently in 1874, for the construction of the Canadian Pacific Railway, but that it is a contract based upon figures low as compared with those which these hon. gentlemen opposite, after all the experience that they had had in connection with this great work, regarded as altogether insufficient for its construction, without reference to the provision of a single dollar for the purpose of security of the operation of the road afterwards. I trust I have given to the House sufficient evidence to show not only that the proposal which I have the honor to submit to Parliament is fitted to their favorable consideration, not only that it is greatly within the amount voted by this House in 1873 and subsequently in 1874 for the construction of the Canadian Pacific Railway, but that it is a contract based upon figures which, compared with those which hon. gentlemen opposite after all their experience in connection with this work regarded as altogether insufficient for its construction, are far more favorable to this country.

A WEIGHTY RESPONSIBILITY.

Now, I am bound to say I never felt more grateful to Parliament in my life than when, notwithstanding the startling statements made by these hon. gentlemen, this House placed 100,000,000 acres at the disposal of this Government for the purpose of constructing the Canadian Pacific Railway. I knew that every intelligent gentleman in the House and out of it regarded that measure as of vital importance to the country; I know they felt it was a duty we owed to the country to get along with this great work, notwitstanding the enormous liability involved, and notwithstanding the enormous demands made upon the Treasury of the country; I knew that, obliged as we were to some extent to act upon the best judgment we could form, but to act experimentally, I knew it was a great demand to make upon Parliament for the Government to ask, for powers to proceed with this great work, but we felt that, inasmuch as the construction of this road was required to develop the great Northwest, inasmuch as it was absolutely necessary to make that country what it could be made and to increase the population and resources of the whole Dominion, that we were warranted in acting upon the policy that lands otherwise useless should be utilized for the purpose of construction. The House can understand that we felt fully the responsibility of asking for this enormous amount of public money to be expended, but feeling as we did that when we had constructed the work from end to end and were really to operate it, the still heavier responsibility rested upon the country of providing the means of successfully operating that road, for no man could shut out of sight the serious responsibility that the operation of 3,000 miles of railway through such a country would entail. But Parliament felt that the construction of this road was absolutely necessary to the development of Canada, and they generously gave to the Government the assistance we asked for. But they did it under the conviction that we intended to apply those lands in such a way as would ultimately secure the people of the older provinces against taxation for the purpose of constructing the railway. The Government were sensible of this generous feeling on the part of their supporters in this House in sustaining us, notwithstanding the fear and the alarm that it was sought to create in this House by hon. gentlemen opposite, when they found themselves in a position to criticise the very measure for which they had asked the House to give them the power of carrying it through. I say the House can understand the pleasure with which we meet the people of Canada through their representatives to-night, and are enabled to say to them that by the means which we were authorized to use for the construction of this work, that we are in a position to state not only that the entire construction from end to end, but that the responsibility of operating it hereafter is to be taken off the shoulders of the Canadian Government, in consideration of something like the cost to the country of $2,000,000 per annum, not commencing now, however, but that will be the ultimate cost, assuming that we have to pay for over interest on all the money the syndicate will obtain under this contract. When we are in a position not only to show that, but to show that out of the 100,000,000 acres of land that Parliament placed two years ago at our disposal, we have 75,000,000 acres left with which to meet the $2,000,000 of expenditure, and that expenditure will be diminished until at no distant day we will not only have the proud satisfaction of seeing Canada assume an advanced and triumphant position, but that she will be relieved from the expenditure of a single dollar in connection with the construction or operation of this railway.

STRENGTHENED BY CRITICISM.

I may say that I have been greatly gratified at the criticisms that have been bestowed upon the proposition we are submitting to Parliament. Nothing has given more confidence in the soundness of our position and the impregnable attitude we occupy in Parliament, or out of it, than the criticisms to which this scheme has been subjected by the press, so far as I have seen. First I may speak of the Ottawa *Citizen*. I find that in the criticisms of that paper, to which, at all events, we were entitled to look for a fair and dispassionate criticism, the editor of that paper has evidently handed over his editorial columns not only to a hostile hand, but to a disingenuous writer, who was not willing to put facts fairly before the country, and this strengthens me in my conviction of the soundness of the proposition we are submitting to Parliament. If that contract contained objectionable features to which the attention of Parliament might be called, and that were sufficient to condemn it, where was the necessity of the person who wrote the criticism in the *Citizen*, for mistating every clause of the contract that he commented upon, from beginning to end? I say nothing has more strengthened my conviction of the soundness of this measure, whether it was the Ottawa *Citizen*, from which I had hoped better things, or from the *Free Press*, from which I did not expect any different treatment, or the *Globe* newspaper of Toronto; and when I take up these papers and find that in every criticism every single ground of attack is based upon mistatements of what the contract contains, I am confirmed in my opinion that they found that contract unimpeachable, and that a fair and candid criticism would compel them to give their adhesion to it. When I look at those criticisms I am reminded of the position a gentleman would occupy who had made a contract for construction of the Great Eastern SS., greater in extent and involving a greater expenditure than any other ship that ever was built in the world. But, sir, I am reminded of what would be the better position of a man who, after building a ship and finishing it complete in every respect, would be told by his employers that the ship was all right in design, material and workmanship, but that there was a little twist in the jolly boat which they did not like, and on that account they did not think they would tackle her. I say, that when we come down to Parliament with a great measure like this, when we occupy a position in respect to the probable completion of this great work, which twelve months ago the most sanguine man in the country could not have hoped we would occupy, these hon. gentleman hesitate. They say, although you have found gentlemen with great resources at their command, to go forward with an enterprise so essential to the progress of Canada, although the work is to be completed on a purely commercial basis, these gentlemen, hiring their hacks as they have been obliged to do upon their own declarations again and again declared, still complain of an arrangement which happily we have been enabled to place before Parliament. But for the remarks of hon. gentlemen opposite which have led me to believe to the contrary, I should have thought that this was a measure for which I could have confidently asked the support not only of those who usually support the Government, but of hon. gentlemen opposite, who stood committed by their votes and by the strongest possible statements of their leaders to the support of terms for the construction of this work much less favorable than those embodied in the present contract. "But," say these hon. gentlemen, "we don't like the Company"—a remark most libellous and insulting to the gentlemen who compose the syndicate.

Hon. Mr. MACKENZIE—Who said so?

Sir CHAS TUPPER—The organ of the hon. gentleman in this city.

Hon. Mr. MACKENZIE—Do you mean the *Citizen*?

Sir CHAS. TUPPER—Well, perhaps the *Citizen* is now the organ of the hon. gentlemen opposite. I know that within the short space of 24 hours they were able to take the *Times* out of our hands by some means—a "pullman device," I believe, they called it; but, sir, I do not feel surprised that hon. gentlemen reject with scorn the imputation that the *Free Press* is their organ or speaks their sentiments—a journal that attempts to throw obloquy upon gentlemen of the highest standing in Canada and in the British Empire. Hon. gentlemen do not like the Company, but one would suppose that their ideas had undergone revulsion upon that question.

THE MEMBERS OF THE SYNDICATE.

The gentlemen who have undertaken this work stand before the people of this country to-day in the strongest position that it is possible for gentlemen to occupy in relation to a great enterprise such as this. The Canadians engaged in the enterprise are men who are second to none in respect of commercial standing and capacity, and by their success in carrying out their great railway enterprises, they have afforded us the best possible guarantee for the manner in which they will fulfil their engagements with the Government and the Parliament of Canada. I may be told that the owners of the St. Paul, Minneapolis & Manitoba Railway are members of this syndicate, and, sir, I am proud to know that that is the fact, and for this reason:—I say that standing outside of this association, they were in a position of antagonism to Canada, because they were the owners of a line of railway to the south of the Great Northwest and of large tracts of fertile land contiguous to that railway. We all know that the great barrier to the successful development of the Northwest was that in the absence of a Canadian Pacific Railway our immigration was obliged to filter through the territories of the United States, and the great efforts which have been made to secure immigration into the U. S., and intercept those who were on the way to our Northwest have not been made by the Government of that country or by the legislature of the States, but by the railway companies, who have a personal interest in bringing these immigrants into their own territories. Why, sir, we have annexed a large portion of the State of Minnesota to Canada in this way, and any man with a head on his shoulders will see at once that a Company who have engaged to build and operate a road 650 miles from Thunder Bay to Nipissing, and who are to be the owners of one thousand miles of road from Red River to Nipissing, cannot afford to do anything less than attract along that route and from the railways to the south a volume of immigration to settle the lands, for that alone can make their enterprise successful. The interest which these gentlemen will have in the Canada Pacific Railway will be ten fold greater than any interest they ever had in the St. Paul, Minneapolis & Manitoba, and I care not what their nationality may be as the signatories of that contract, Canada possesses in them the most undoubted evidence that they will spare no effort to secure traffic on the Canadian Pacific Railway. The hon. gentlemen seemed to think that this company would not bear the scrutiny and investigation which was desirable.

Hon. Mr. MACKENZIE—Who said so?

Sir CHAS. TUPPER—I hope I did not do the leader of the Opposition an injustice when I thought that my mention of the company was received by him in the way in which he usually receives a sentiment with which he does not agree.

Hon. Mr. BLAKE—I do not quite understand the hon. gentleman.

Sir CHARLES TUPPER—I say that that Company embraces capitalists both of our own and of other countries who are men of the highest character, men whose names are the best guarantees that could be afforded the people of Canada that any enterprise they may undertake will be successful.

HOW THE CONTRACT SHOULD BE CONSIDERED.

With regard to the terms of the contract, I do not hesitate to say that no greater injury could have been inflicted on the people of Canada than to have made the conditions of the engagement so onerous that instead of ensuring their successful fulfilment, they would have led to failure. I say that the moment that contract is signed everything that men can do for the purpose of obtaining the best terms in their power has been done, always under the impression that we owed it to Canada to make a contract that was capable of fulfilment, to give those gentlemen a fair contract, and afford them a fair opportunity of grappling with this great, this gigantic enterprise, that we were so anxious to transfer from our shoulders to theirs; and I would ask this House whether they think this contract involving the great business and importance that it does, is one to sit down and cavil over in the ordinary acceptation of the term in relation to contracts, and to drive the most difficult bargain that could be driven, and perhaps lead to what occurred when we made the contract in 1873, with terms largely in excess of those that this contract contains. But it was not a contract that was capable of fulfilment, because the parties were unable in the then conditions of this country to raise the capital that was necessary. Now we approach this question in this spirit, and would ask every member of this House if we should not be unworthy of representing the Parliament of Canada in the discharge of the public business if we had not felt in the interests of Canada that this arrangement should be one that would obtain the command of the capital that was required, and that would enable the parties engaged in this great work to make it thoroughly successful, as I trust it will be. We have reason to know that all that a command of capital can do they have the advantage of, and have reason to know that all that skill and energy and a knowledge of precisely such work will do, has been secured in order to make this a successful contract, and I would ask hon. gentlemen opposite what more is desirable or necessary. I have referred to the position that those gentlemen occupy, but I would just ask hon. gentlemen opposite whether Canada would likely have this contract carried out with the strongest possible guarantees that could be afforded by any undertaker if we had not secured the best men we could find in the city of London? What would you have had? We would have had as the first thing an English engineer with extravagant ideas, totally ignorant of the work and construction of railways through such a country, and we would have at no distant day, no matter what their resources might be, a perfect failure in their hands; and worse than that, you would have had discredit brought upon the country in consequence of the parties who had purchased their bonds failing to obtain that interest which they justly expected from their investment. Whether you look at the American, the Canadian or at the English, French or German gentlemen associated with this enterprise, I believe that Canada has been most fortunate in having this work placed in their hands.

THE SECURITY OBTAINED.

It is stated that the security of $1,000,000 for the carrying out of the contract is too small. They say that a paid-up capital of $5,000,000 within two years and a deposit of $5,000,000 is too small. My opinion of security is this, that provided you get the parties who are most likely to deal successfully with the matter, the less security you demand the better, because just in proportion as you back up the resources of the party, the more you decrease his power to carry on this work successfully.

Hon. Mr. BLAKE—In order to improve the situation, let us strike out the clause about the million dollars.

Sir CHARLES TUPPER—Of course we are speaking within a certain latitude, and I would ask the hon. gentleman to turn his attention to what was a similar work constructed on this continent—the Union Pacific Railway, and I would ask him whether the capital of that company was larger, or whether the security given by them for the construction of the road was larger than is now obtained with this company. He may examine into the carrying out of any of those great works, and he will find that the security that the Government had was confidence in the parties engaged in the projects that they would carry them out to completion. The hon. gentleman will find that under this arrangement we have the best guarantee that these works will be pushed rapidly to completion under the contract as now proposed. This contract requires the parties to complete the road in ten years, that in July, 1891, it shall be carried to completion, and I may say, sir, although the hon. leader of the Opposition may have forgotten it, he took the liberty a year ago of expressing his opinion, and to a certain extent, I suppose, his sympathy with the deplorable condition in which the members from the Province of Quebec found themselves. The hon. gentleman said that "Quebec had spent $11,000,000 which she could ill-afford for the construction of a provincial railway, principally for the purpose of tapping the Pacific trade.

THE PROFITS TO THE OLDER PROVINCES.

Quebec had stretched out her arms toward the great West as far as this city for the purpose of securing that trade, and the question is how soon that expenditure is to be made available. Her road is paying as it is. What Quebec expected was that it should pay some fraction of interest on its construction, but they also expected it would bear a great tide of Western traffic into her principal cities, and bring prosperity to her people, but unless some through connection is made, these expectations on the part of Quebec would not be realized, that if the eastern end was not constructed till the western end was finished, he hoped they would all be alive to enjoy the results." I will not say that there was any sarcasm in these remarks; I will not say that the hon. gentleman was not shedding tears of sympathy when he was bemoaning the happy fate of Quebec, but where are Nova Scotia, New Brunswick, Prince Edward Island, and where is the Province of Ontario? Why, they stand in a position to-day that a year ago we would have been laughed at if we had ventured to predict. If we had said a year ago that by this session we would be enabled to provide a contract by which in 1891 all the cities of these provinces would have easy communication with the great Northwest territories of Canada, it would have been considered impossible of attainment. What is of more vital importance to this province and the cities of the East, Quebec, St. John and Halifax, than that they should have ready access to the great Northwest? The fact is that that great country, with its millions of fertile acres, that yield abundant returns to the industry of agriculturists, must for years to come, during the development of that vast territory, depend upon the older provinces for its manufactures. Therefore it is of vital importance to every section of Canada, and to no portion more than the Northwest, that there should be easy, rapid and cheap communication established at an early day. Now, sir, I will draw the attention of the House for a moment to what will be accomplished. The road is to be commenced on the 1st of July next at Callendar station, near Lake Nipissing, and under this contract is to be proceeded with *pari passu* at such an annual rate of progress as will secure through connection with the Canadian Pacific Railway by 1891. Now, with regard to the distance, everybody knows that the construction of this line will shorten the distance between all our great cities and Winnipeg, the present emporium of the Northwest, by some 500 miles, but assuming that we had to go by the Sault Ste. Marie in the absence of any line at the north of Lake Superior, the distance by the Sault and Duluth would be, from Nipissing to Sault Ste. Marie 294 miles, from Sault Ste. Marie to Duluth 410 miles, and from Duluth *via* Emerson to Winnipeg 464 miles, making the total distance from Callendar Station to Winnipeg 1,168 miles. That was the shortest route which twelve months ago the Government were able to hold out any expectation of obtaining. Now, we propose to secure the construction of a through line, to be commenced on the 1st of July next, which will shorten that distance by 111 miles.

Hon. Mr. BLAKE—That is 1,057 miles from Winnipeg to Southeast Bay.

Sir CHAS. TUPPER—It is 1,006 miles from Nipissing along Thunder Bay to Winnipeg if you take the lake, or 1