

road that is under contract to the specification of the Intercolonial. It required \$35,000 to do that, and that left \$65,000 to be expended on the completed portion of the road. The bargain which he has made at present is better than the former one by \$400,000, and also by the amount of subsidy he has paid, plus the \$65,000, which he has not to expend on the completed portion of the road. Could there be a greater justification for the opposition by this Parliament to the scheme, for the rejection of it by the Senate, than he has presented himself. He said quite naively and innocently, in introducing his Bill: We calculated the interest on the amount of subsidy at a basis of 4 per cent and that would only realize \$1,600,000. But we got Mr. Fitzgerald to calculate it, as we were paying the money, and what was the value he put on it? By the estimate made by the Department of Finance, the value was \$2,100,000. Yet the hon. gentleman asks us to accept the value estimated by the company itself. He said: Oh, this is merely an interpretation of the old arrangement, of the arrangement of last year, but here is the value that the company itself puts upon the payments made to it.

Those are the simple facts of the case. I have here the agreement as it was in 1897, and as it was in 1898, and there is another part of it of which we have not had any information. We are proceeding in this debate without the contract or specifications being brought down, without the report of the engineer as to whether the road is finished, as to whether the subsidized portion of it is finished or not, or as to what standard it has been completed. There is no report brought down to this House of the expenditure of this \$100,000 upon the road. Nor do we know the amount of subsidy that has been paid by the hon. gentleman in this transaction. We are voting entirely in the dark. Just fancy a road, nearly 80 miles of which was completed in 1890, an option upon which was hawked from one end of the country to the other, for \$500,000, and that included what the hon. Minister has not got in his bargain, the rolling stock, which the engineers of his department estimated at a value of \$45,000, which was included in the offer of \$500,000. The road was offered to me for \$500,000, and it was offered to others for a far less sum. I have an agreement with the Grand Trunk Railway in my possession which shows that it was offered to that company for 35 per cent of the earnings of the road—and that would not have realized one-third of the amount which the hon. Minister has given. It is notorious that this railway was virtually a bankrupt concern, that it was indebted to the Eastern Townships Bank for \$156,000, and to others in different parts of the country, \$20,000, making a total liability of \$176,000. And the owners, I believe, would be glad to have taken the sum of, say, \$50,000, or say, \$75,000, or say, \$100,000, which they never expected to realize, and not one tithe of

which they ever put into the road. The hon. gentleman says we have the sworn testimony before the commission as to the expenditure of over \$2,000,000 on the road. What was the expenditure? Mr. Fee, Mr. Church and Mr. Mitchell, we are told, subscribed \$133,000, or a total of \$400,000, which was the capital in the first place. Is there a person in this country, except the Minister of Railways and Canals, so innocent as to suppose that these gentlemen put up \$133,000 in cash? If there is such a man in this country, I do not think there is one in this House. Any one acquainted with modern railway building knows that they never did any such thing. With great difficulty we got from the book-keeper the statement that before they could proceed, under the law, \$40,000 in cash had to be paid up, and he says he thinks he is positive that the \$40,000 in cash was paid up. It calls for a considerable amount of faith on the part of any one acquainted with railway promotion to believe that even \$40,000 in cash was put up by the parties who built the road. The fact of the matter is that the road now handed over to the Government, had been built out of the subsidies from the Dominion and provincial Governments and municipalities, and the balance showed the amount of credit, \$176,000, which they had managed to obtain. No person who is acquainted with railroad building would suppose that Mr. Church put \$133,000 in cash into this undertaking, or that Mr. Fee, or Mr. Mitchell did it either. But the calculation of the hon. Minister is founded upon the assumption that they did. According to the hon. Minister, this road cost \$2,000,000, and even if you deduct the amount of bonuses, you take away only \$400,000. And he says it is not right to deduct these bonuses, that there may be something in it, but that they should not be deducted altogether. Why, then, did he consider it in his new bargain and make it one of the conditions that the bonuses these gentlemen had received for building the road should be returned to the Government? Look at the nice time they had in the extension of the road. I have not found out from the Minister yet whether the amount due to them for subsidies was taken from the amount expended in the repairs of the road.

The MINISTER OF RAILWAYS AND CANALS (Mr. Blair). The hon. gentleman has not found that out, because he has not taken the trouble to ask.

Mr. HAGGART. I think we should have it before the House. Let us hear the facts.

The MINISTER OF RAILWAYS AND CANALS. I have been endeavouring to furnish, as far as I possibly could anticipate his wants, the information that the hon. gentleman would require. But my limited capabilities has not suggested to me that he was going to ask a question of that kind.

An hon. MEMBER. You do not know, then?