

is placing on the London market its bonds, and the statement it makes is :

"The length of this railway is 295 miles, of which the first section of 119 miles is under contract, and at least 50 miles are to be opened by the 1st of September, 1881. The Governor General has approved of a report of the Privy Council of Canada, recommending a grant to the company at the nominal rate, mark you, the nominal rate—of \$1 an acre of an area of land equal to 840 acres per mile, commencing at the south-west of the boundary of the Province, so that it is outside of the Province of Manitoba that this land lies. It is estimated that a judicious realization of the land would produce to the company the sum of £2,000,000 sterling, or \$10,000,000, and the company has refused offers made to them for large portions of that land at \$5 per acre. In another part it is stated that this line is to be constructed for £3,000 sterling or \$15,000 a mile, and the result is that the fortunate stockholders—and if there are members of Parliament among them, I hope they will share among us all—will have an admirable commercial railway constructed free of cost, and probably four or five millions besides from the sale of their lands."

Well, Sir, you thus find that there are lands of very great value to be had, outside of Manitoba, beyond the range of twenty-four miles of the Canadian Pacific Railway, which can be opened up and made saleable at \$7 or more per acre, by railways which shall be, as this railway is declared to be, good paying commercial enterprises. But the least you can suppose is, that the company will not find it advantageous to take that area of its lands which it cannot find within the twenty-four mile belt in the way I have stated, and that they will go on—although they are not bound to do it—spreading out to a sufficient distance to enable them to take the 25,000,000 acres from along the main line of the Canada Pacific Railway. It is obvious that if the Company does not do that, it is because they can make more money by going further off, and building a railway. Put suppose they do adopt the former alternative, they have to run out, according to the estimates of the Government, fifty-five miles from the main line of the railway in order to get their 25,000,000 acres. They, of course, take the five mile range on each side, the fifteen mile \$4 range, the twenty mile \$3 range, and 15 miles of the \$2 range, and carrying out the same figures and applying them to the 25,000,000 acres so taken, you find them worth, according to the view of the Government last year,—of course they will put a higher estimate on them this year—\$79,500,000. Take them as you can take them along the line of the Canada Pacific Railway, stretching out to a point 55 miles from that line, and, according to the Government's view, the minimum value of the lands is 79½ millions. I think, Sir, I have now proved, by figures, the absurdity of those arguments which have been based upon the idea that a grant of 50 millions of acres along the railway is worth as much acre for acre, as a grant of 25 millions within the 24 miles limit. I have shown you that the Administration has committed itself to the sound, the unquestionably reasonable view that the nearer the railway, the greater the value, and that by consequence the smaller acreage taken from the inside must be worth very much more than an equivalent, and may be worth very much more than a much larger area taken from the outside. Let me illustrate this position. To take 50,000,000 acres as was proposed of railway lands within the limit of the 220 miles range, or 110 miles belt on each side, you had to go, of course, 55 miles further on each side than I have already brought you. You, therefore, take five miles of the \$2 belt, and fifty miles of the \$1 belt, and the value of these fifty-five miles, or a depth of 110 miles, according to these same hon. gentlemen's estimate, was 27½ millions of dollars. So that while the whole lands were worth the \$106,750,000, taken as close as the sections would enable you to take them along the line of the railway, the inner lands at \$3.18 per acre are worth \$79,500,000, and the outer at \$1.11 per acre, 27½ million dollars, or an average for both of \$2.13 per acre. I do not enforce these views by any arguments of my own. I am simply stating the deliberate estimates and views of the Government of this country

confirmed to be correct, by an enormous majority of the Parliament of this country at its last Session of Parliament, and by those who are now disposed to dispute them. Well, I pointed out a while ago that the country was to expend in cash, under this arrangement, on the estimate of last year, \$61,800,000, and now at what shall I value the 25,000,000 acres to be taken within twenty-four miles of the main and twenty-four miles of the branch lines? Shall I value it at \$4.04 or \$3.18 per acre? If you take \$4.04 we add to the \$61,800,000 cash \$101,000,000 for lands, making an aggregate of \$162,000,000, land and money, for this enterprise. At the \$3.18 we add \$79,500,000 to the cash subsidy, making an aggregate of \$141,300,000 for the enterprise. And, if you really will insist that 25,000,000 acres of land close to the railway are worth no more than 25,000,000 acres at a distance; if you will turn your back on every view that you have entertained on this subject before; if you will bring down an Order in Council annulling your former declarations, and declare that \$2 only is the value of land close to the railway, we find an aggregate of \$50,000,000 for lands and \$61,800,000 cash, or a total of \$111,800,000 in lands and money. The Company is therefore to get the railway completed and the lands on last year's estimates for the cash expenditure of \$51,660,000 less the \$25,000,000 of subsidy which the country provides, so that, according to the estimates of last year, this work and these lands are to become the property of this Company for the cash expenditure by them of \$26,700,000; so that, according to the estimates of last year, the Company, deducting the Canada Central Railway subsidy and the telegraph line, if they are worth considering in these millions of figures, is to get this \$162,000,000 worth, or \$141,000,000, or \$111,800,000, according as you value the lands, for \$26,700,000. Now I will apply myself to this year's estimates and see how they run. On this year's estimates, the country is to expend in cash and works, \$58,300,000. Add to that the amount for lands of \$101,000,000 and the total is \$159,300,000. Take the lands at \$79,500,000, and the total is \$137,800,000. Take them at \$2, and the total is \$108,300,000, and applying the same reduction for over-estimate, as I have pointed out, the Company will get the completed railway and lands for an expenditure of \$46,200,000, less \$25,000,000 or for \$21,200,000. This subject will bear a little examination in another light, as to the avails of these lands. I may begin my task by convincing hon. gentlemen opposite, with reference to the avails of the lands, because I go upon figures to which they have given their cordial assent—no, I do not say I do that, because I do not ask them to accept the enormous figures of last year, the mistaken calculations of last year—I pointed out the errors in those calculations last year amounting to some 26 millions odd dollars, and I am inviting them now only to swallow the reduced figures. Well, the Government's view was that there would be 10,800,000 acres of railway lands sold within the next ten years. Of course, these lands would be spread over all the ranges, the view being that the reduced price compensated for the increased distances. That gives you for the inner half 25,000,000 acres, 51,400,000 acres, and for the outer half the same amount. The result of these calculations would be, giving to the Company the proceeds of the sale of the half of the total lands, allowing their proportion on the true average—not on the average the Government calculates,—which is higher, \$11,269,000 in the ten years. But then that is the gross as to the expenditure; if we adopt in all, for surveys and management \$2,400,000, I shall divide that sum into two parts, assigning \$1,200,000 to the homesteads and \$1,200,000 to the railway lands; and as the Government bears all the expense of the surveys and management, I attribute to the Syndicate \$270,000 of the \$1,200,000, and to the Government the remaining \$930,000 on the railway lands sales. The result is a net return in ten years of \$11,000,000 to the