

The Senate resumed at eight o'clock.

Hon. Mr. CASGRAIN (continuing): Honourable gentlemen, once again I have to take issue with the leader of the Government in this House. He said that the present Government had inherited a third Transcontinental railway. Now, the leader of the Government will admit that the former administration had nothing to do with that part of the Canadian Northern railway which is in British Columbia. He will admit that not one dollar of money and not one acre of land was granted, and that no encouragement was given for the building of that portion of the road. I have it on absolute authority, from no less a person than the ex-Prime Minister, that his Government had never given one cent of subsidy to the Canadian Northern railway in British Columbia. Therefore I may crave absolution.

Hon. Sir JAMES LOUGHEED: You were the parent of the child, and we had to clothe it.

Hon. Mr. CASGRAIN: The policy of the Government at that time was that the railway should not go outside of Alberta. With all respect, I contradict the leader of the Government when he says the present Government inherited a third transcontinental railway, because after the former Government had granted subsidies to the Grand Trunk Pacific from Edmonton to Prince Rupert, surely no sane Government would think of subsidising another railway within an acre or two parallel for a distance of 350 miles from Edmonton to the top of the Yellowhead Pass. The honourable leader of the Government admitted this afternoon that my contention was correct—that when we did guarantee any bonds, it was on that piece of road from Port Arthur to Montreal. I believe that if the Canadian Northern had not undertaken that work in British Columbia they would be in a much better position to-day. From Edmonton westward for 360 miles the Grand Trunk Pacific has as fine a road as there is anywhere, and right next to it is the Canadian Northern which was built afterwards. When rails were wanted, what took place with those two parallel roads, in a country where no one lives? Beautiful railways, with easy curves, easy grades—beautiful roads, but no one to ride on them?

Hon. Mr. SHARPE: I thought the two

roads were racing to see who could get through first.

Hon. Mr. CASGRAIN: I stand to be corrected, but my opinion is that there was a race for location plans so as to get into the Yellowhead Pass, and the Canadian Northern Company allowed the other road to go ahead because they had no subsidy, and they were never known to build a road without some subsidies. Every one knows that no money was ever put into that enterprise except by the Federal Government, the local governments, and the municipalities. I must say that the municipalities are the only bodies that the Canadian Northern has not been able to get much money out of. The sum they got from municipalities is ridiculously small. I suppose they did not want to bother with small fry; they went to where there was money in large quantities. The first year that the present Government was in power it granted subsidies to that road in British Columbia. The road runs from Edmonton to the Yellowhead Pass, and there it turns almost at right angles, following the north branch of the Thompson river, and makes a bee-line for the Canadian Pacific railway. It could not take a more direct line to Kamloops, and from there it parallels the Canadian Pacific railway to New Westminster and Vancouver. It was one of the most expensive parts of the road to build. According to the honourable leader of the Government, it cost \$88,000 a mile, and there has been no return from that road.

If the Canadian Northern railway had remained in Alberta, Saskatchewan and Manitoba, it would not have been in its present predicament, and I charge the present Administration with having encouraged that road to go from Alberta into British Columbia. What was done in British Columbia? In the very first session that the present Government was in power it granted not merely one subsidy of \$3,000 a mile, but four subsidies, \$12,000 a mile in spot cash, for the same line in that province, and in addition the company received a guarantee of \$45,000 a mile from the Government of Sir Richard McBride, making the total receipts for that road in guarantees and subsidies \$57,000 a mile. That is one thing for which the former Administration is not responsible, but for which the present Administration must take the blame.

Then we come to Vancouver Island. We have not heard about it at all. Perhaps honourable gentlemen are not aware that they are buying railways on Vancouver island, which have no physical connection