

lands. There are certain areas of the same character in Canada. In the United States a reclamation commission, whose works have been carried on most economically and successfully, is engaged in the work of reclaiming the public lands and disposing of them at cost in small holdings, not exceeding 160 acres, and in many cases not exceeding 40 acres, to settlers who will carry on an intensive system of agriculture. This system, reclaiming the land for the benefit of the people, builds up a large agricultural population, and it is upon agriculture that the whole basis of our national prosperity must be founded. In Canada the system recently inaugurated is to grant huge areas of such lands to favored friends of the Government under conditions which contain no restriction of price to the settler, and afford opportunity for stock jobbing, excessive profit and an enormous tax upon the farmers. One more illustration.

THE GRAND TRUNK PACIFIC DEAL.

Canada, in 1903 and 1904, granted a great national franchise to certain gentlemen who had associated themselves as a corporation under the name of the Grand Trunk Pacific Railway Company. The Conservative opposition regarded the contract as improvident, but the people ratified it, probably in ignorance of its real effect, and it must be carried out in good faith according to its terms. This great railway is to be constructed very largely upon capital provided by the credit of this country under a guarantee of its bonds, but the Company is also permitted to issue \$50,000,000 common stock which will not represent one dollar of actual cash invested. **We demanded that three-fourths of that stock should be retained for and should belong to the people of Canada.** The Government refused this demand and handed over the entire \$50,000,000 to the Grand Trunk Railway Company, which had guaranteed only one-fourth of the construction bonds. At the present moment that stock is worth nothing. In twenty years it will be worth one hundred or perhaps two hundred cents on the dollar. The increase in value will be due to the influx of settlers, the development and progress of the country and the expansion of commerce. **In that increment of value the people of Canada will not participate to the extent of one dollar.** How different is this from the progressive policy of the British Government under Lord Beaconsfield, who secured for reasons of state a controlling interest in the shares of the Suez Canal, and accom-