

believe that the government is ready to advise Parliament to give this money as an advance and simply as a loan or substitution for what we are now obliged to give the company. I cannot see how much more the burden would be upon the country than they are already committed to. I cannot see that it is a large amount or how the country is committed when it is a mere advance, a mere loan. If the government has given this undertaking and assured these parties that this arrangement will be carried out, I for one will support them in it.

Hon. Sir MACKENZIE BOWELL—The manner in which this subject has been introduced to the House is indicative of the feeling that is held by a number of gentlemen upon this very important question. No one can complain of the tone or manner in which the hon. mover has brought the subject before us. He has, however, been misled by the newspaper reports which have appeared at various times. I shall not enter at present into a discussion of the merits or demerits of the action of the government, because I think it would be much better understood when the papers come before the House. I desire, however, in the few remarks I shall make, to call attention to one or two statements which the hon. mover made, the information having been derived by him from newspaper statements and not from any official source. There has been no subsidy of \$10,000 per mile agreed upon, or offered, or even suggested, in addition to \$80,000 per annum which the government and Parliament of Canada are now pledged to, in consideration of certain services which are to be rendered, nor is there any additional grant offered or proposed. It is a rearrangement of the liabilities of Canada, in consideration of the surrender of all the liabilities that they are now under in order to assist the road. The House is aware that the government is now pledged to a land grant of 6,400 acres per mile, and a payment of \$80,000 per annum for 20 years in aid of the construction of the road. The \$80,000, as I have already intimated, is in consideration of postal service, etc. The present proposition, or the Order in Council, which the hon. gentleman will better understand when it is laid before the House, is simply a rearrangement, or in other words, a loan of \$10,000 per mile for a certain length of time, for

which the company surrenders, or rather gives in security, the \$80,000 per annum and the 6,400 acres per mile. I know that people will say that this is taking back the land which belongs to us, and it is giving security upon \$80,000 per annum to which we are now pledged which we need not give if the road is not built. That is quite true, but these are liabilities into which the country has entered, and which we are bound to pay in case they construct the road. They have represented to the government that they could not, with those securities, float the bonds and obtain the money and they asked for a rearrangement, or readjustment of the aid which was to be given. Now that is as much explanation as probably, is necessary for the House at the present moment. As to the merits of that rearrangement, that is a question for members to discuss and to approve or disapprove when it is submitted to them; as my hon. friend to my right says, it is subject to the approval of Parliament. The constitutional procedure to which the hon. gentleman from Richmond referred is the correct one; no government has the power to bind itself to pay any public money or to make any readjustment of a contract into which they have entered with any company or with any individual without the consent of Parliament. That is really the whole position. I am sure my hon. friend from Richmond will be glad to know that the government were not so regardless of the interests of the country, or so lavish in their promises in aid of the construction of the road, as to pledge themselves to a grant of \$10,000 per mile in addition to the 6,400 acres of land which they had agreed to give, and the \$80,000 per annum. Such is not the case. I shall not enter into a discussion of the trade policy, or the effect of the trade policy of the government referred to by the hon. member from Marquette. It opens up a very wide field, and I know that the hon. gentleman is very much interested in that subject. He enters into the details minutely. When his motion is made it will be then a question more legitimately for discussion as to whether our policy tends to the diversion of trade to New York, or whether we should surrender what rights we have now in support of our own shipping by which the trade of the country is carried on. It is a question which I shall be quite prepared to discuss when it arises. I may say that the government has