

se of Commons  
Bill respecting

the hon. member do not intend to do as possible to 1870 the Governor, to take sworn as to the canal composed of the gentleman of great navigation and very high positions omission. They tant considerations commercial men, sea and they made ses. First, they quired should be in that category the waters of the that report, and the opinions of could cost some- 000 towards the his scheme then y afterwards, in duty of taking of the Hon. Mr. estimates for the me when it was tigation in con- accuracy of the nent engineer, required for the r those circum- er, although an co be proceeded or \$10,000,000 n in the House at a cost as was er of very con- the proposal to The increased ere was a much Ketchum, the ct, submitted a practicable, he in the spring,

and close later in the autumn than a canal would, and that therefore the commercial objects to be attained would be attained to a greater extent by a ship railway than by a canal. The Government of that day met the proposal of Mr. Ketchum with the statement that although it was known that ships could be raised by hydraulic power, and although it was known that they could be carried on a railway for a certain distance; yet there was no place in the world where ships were carried for so great a distance as that proposed, between the waters of the Gulf of St. Lawrence and the Bay of Fundy. And we said: that under these circumstances, the Government would not embark any capital, and they would not be responsible for the payment of any public money whatever for this work, unless upon the proposal that the capitalists undertaking it should be obliged to demonstrate the absolute success of the scheme before they should be in a position to claim any money. The contract, therefore, in this instance, differs from almost all other contracts of a public character in this respect, that not a dollar was to be taken from the public treasury of Canada until the parties engaged in this enterprise found all the capital that was necessary to construct and complete the works, and put them in successful operation. And more, the contract provided that if at any time they failed to operate the ship railway successfully, these subsidies should cease. The House will at once see that it would be an extremely difficult matter to raise capital under these circumstances, because so many considerations were involved which might prevent the realization of capitalists, that they would be extremely careful in entering upon such a work. When this matter was submitted to the House by myself, on that occasion—and the matter was fully, and fairly, and clearly stated to the House—hon. gentlemen on both sides arrived at the conclusion that, if for a subsidy of \$150,000 for twenty-five years (or as it was subsequently changed by an Act of this Parliament, to \$170,000 for twenty years); if for that sum of money a work of equal value could be had to that which had been adopted by both parties in the House without any division whatever, then we would be warranted in undertaking it. \$170,000 a year for twenty years would involve an expenditure, if capitalised at 4 per cent., of about \$2,343,000. That is to say, Canada was to obtain a work of equal value to the canal which had received the approval of Parliament and of both governments, for less than one-half of the money which Parliament had originally agreed, in view of all the facts, to expend upon it. Now, Sir, I do not intend for a single moment to enter into a discussion, at this hour of the day, as to whether the Royal Commission, in the first instance, had gathered the correct trend of public sentiment on the subject, or as to whether they were right in the conclusion at which they arrived, that the Government of Canada would be warranted in an expenditure of \$5,000,000 for the accomplishment of this work; because that is all beside the question. After this House had on several occasions, without division, adopted the policy of making this expenditure, and a solemn binding contract had been made with British capitalists for the accomplishment of the work, all that discussion ceased to be relevant. Although, in the light of all the information and experience I have been able to obtain in connection with this work, I believe as confidently to-day as I did at the time the measure was first submitted to Parliament, that the expenditure of \$5,000,000 which was originally proposed for the canal, and much more the lesser expenditure of one-half that amount for accomplishing the work, was a wise and judicious expenditure, yet, assuming that I am altogether wrong in that, I say that in my judgment it does not touch the question. This work, having been thus commended to British capitalists, not by myself, but by the authority of a Royal Commission who had investigated it, and on sworn testimony the most full and able and complete that they could command, and British capitalists having been found to undertake the work, I say that if they have carried on their operations in good faith, they are entitled to all the support that is required from hon. gentlemen on both sides of this House to implement that contract, thus fairly and honestly made. Now, Sir, I would just draw the attention of the House for a single moment to the fact that after this contract was made, the responsibility for that work not having been in operation long ago rests upon this House, and not upon these contractors. When they were in a position to put their bonds on the money market for the purpose of obtaining capital, they found—and I invite the attention of every hon. gentleman to this as a most important point—that by an amendment to the general Railway Act, passed by this House after the contract had been made with them, and before they were able to put their scheme on the money market in London, they were prevented from obtaining the capital. That was a provision passed in 1888, which had not been noticed as having any bearing on this project, but which prevented the bonds for a public work being put on the market until a certain amount of expenditure had been made. But for that all the money they required for the completion of this work would have been promptly obtained in London, and the work would have been completed long ago. I say that is a circumstance which I am sure every hon. gentle-