

of Canada have been those most free of interruption by snow and storm. The main line of the Canadian Pacific Railway, running through the northern part of the province of Ontario, has been very slightly impeded; and I am told on very good authority that the Quebec and Lake St. John Railway, probably the most northerly one in Canada, running for a distance of about 200 miles from Quebec to Roberval, has run every train, both freight and passenger, on schedule time throughout the whole of the year. And that railway, I believe, runs through a country very similar to that which will be traversed by the eastern division of the Grand Trunk Railway. Therefore we may dismiss that bogey from our minds.

The government is to be commended, in my humble opinion, for holding intact the main features of the contract of last year. The variations of the contract are not in any way material, and do not in any manner tend to jeopardize the successful issue of the project. As these modifications and alterations have been published in full, and are on the desk of every hon. member, I shall not weary the House by going into them in detail. Perhaps the most important amendment is that which relates to the guarantee of the bonds of the mountain section. By the original contract the government agreed to guarantee the bonds of that section to the extent of \$30,000 a mile. Under the amended agreement the guarantee will be for three-fourths of the cost of construction; it may be more or it may be less than \$30,000 a mile. Then the time for the completion of the western division is extended from 1908 to 1911. In view of the delays that have unavoidably taken place, that extension can, of course, be quite justified. The original contract, as you will perhaps remember, did not provide a time limit for the construction of the eastern division. While the Grand Trunk Pacific Company were bound to construct the western division within a certain time, the government were not bound by a time limit for the construction of the eastern division. Under the amended contract, as I read it, it is provided that in the event of the western division being completed and equipped with rolling stock to the amount of \$15,000,000 before the eastern division is completed by the government, the company shall be entitled to the return of the \$5,000,000 deposit, which, by the way, has been put up in cash as provided by the original contract. It will be noticed, however, that the original obligation to equip the line to the amount of \$20,000,000 of which \$5,000,000 is assigned to the eastern division, remains to be complied with when the eastern division is completed by the government. These two amendments, with the additional amendment regarding the holding of the common stock by the old Grand Trunk Railway Company, are, to my mind, the three

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important amendments. But, I repeat, these amendments leave the main features of the contract of last year undisturbed. We had, I believe, an advantageous contract with the Grand Trunk people last year; I believe we have an advantageous contract with them this year. The contract remains in all essential respects just as advantageous a contract for the country as it stood before.

Among other matters of a domestic nature that were freely discussed during the late recess, was the ever-present question of the tariff. Now, Sir, even among those who clamour for a stiff and arbitrary advance of the tariff all along the line, there is by no means unanimity as to what change or changes should be made. Of course, the ultra-protectionists clamour for a very substantial increase all along the line. Other promoters of the agitation single out special industries which they assert are suffering by undue competition from without. The great mass of the consumers of this country have not yet been heard from, nor do they possess any organization by which they can, as a body, make their wants and wishes known. The consuming public have not the opportunity of recording their views at conferences or conventions, as other interests have. The great body of the people can express their convictions and their wishes on this and kindred matters only at the polls.

Now, Sir, I do not for one moment say that the existing tariff is a perfect tariff. A perfect tariff—that is, one to suit all the different sections of this great country, with its frequently changing conditions, and its many diverse interests—could only be framed and put into operation by perfect men; that is to say, by a government composed of perfect members.

Well, Mr. Speaker, I quite admit that the present administration is about as perfect an administration as ordinary human limitations will allow; but, I do not claim for them that they have been able, or will ever be able to form a tariff that will suit everybody, all the manufacturers and all the consumers, always and at all times. I do put forward this claim, however,—and I say it with the assurance derived from the records—that the present tariff, on the whole, has been a very satisfactory tariff for Canada. And on what do I base this claim? First and foremost, our present tariff has been a good revenue producer. It has fulfilled one of the main functions of a tariff in that it has produced abundant revenue. I have already referred in part, to the figures since 1897, and I need not speak further of our constantly enhanced receipts from customs. When I say broadly that the Minister of Finance was able to declare last year a surplus of fourteen or fifteen millions and this year will be able to show even larger surplus, and when I say that we are told on authority that there will, in all probability, be a further reduction