

Pacific. The warfare continued in 18.7, and, I may even say, up to the moment when the railway introduced an active civilisation. Who, now, minds the Indians in Montana? There is another reason why I wish for a rapid filling up of our North-West, viz, that it will give a market of consumers for our manufactures. When we consider what is taking place among our neighbors, we have a right to count upon the prompt development of our North-West and upon the sale of our lands. In the course of the past year the Union Pacific has placed 4,342,200 acres, at a price of \$8,000,000. There was sold, last year, in the Territories of the United States, a total of 18,300,000 acres of land. We have as much of lands as they; indeed, we have more, and ours are more fertile, nearer the seaboard and less costly. The average price of the American lands is \$3.40 per acre. The railway companies are so much involved that they cannot part with them for less than \$3. Our highest aim is to sell our land at \$2; and, if advisable, to dispose of them at \$1.50, the Canadian Pacific will not stand in our way. The Pacific possesses this advantage, this immense advantage, namely, that having but small interest to pay, the sale of each acre will give them more benefit. In the United States many companies have failed because the interest has swallowed up their capital, and because the sale of lands barely sufficed—or did not suffice—for the payment of coupons. We might have been less liberal, and possibly, at the same time, have effected a commencement of the iron band to connect the Atlantic with the Pacific, but I question whether we should not thereby have taken precisely the means of destroying the value of our subsidy, by forcing the company to expend, in interest, the money which we gave them to build the road. In going over this array of figures, my object is not limited to a mere calculation. There lies at the bottom of these facts a vast question of political economy. My pretension is less to solve than to submit to a class of thinking men in this country and outside of this country a problem which will soon impose itself to the general economy of modern nations, that is, cheap and, at the same time, rapid transportation. It is a common saying that water transportation is cheaper than steam transportation, and it is true. The maker of the universe, in his foreknowledge of the expansive power of civilisation, has made us the gratuitous gift of the great water highways in the interior as well as around the continent, whilst the genius of man has had to build his overland routes by dint of work and money. Independently of the cost of the road itself, if you compare the cost price of a locomotive and of the thirty cars composing a train to the cost price of a steamer, the railway will have the advantage. A first-class steamer, with a tonnage of 3,000 tons, representing, as a motive power, nine trains of thirty cars, of the capacity of eleven tons each, will cost from \$300,000 to \$500,000, nearer the latter figure than the first. Nine locomotives will cost \$72,000, and 270 freight cars about \$125,000: let us say, \$200,000 for both engines and cars. The advantage, as I have said, remains with the railway, each ton of merchandise representing in the steamer a capital of \$166 $\frac{2}{3}$, and only \$66 $\frac{2}{3}$ in the railway. On the other hand, the steamer will cost only \$100 in operating expenses for each day of 300 miles voyage, whereas each train of the railway will cost an average of \$300 for each 300 miles run, or \$2,700 for the ten trains; so that each mile of railway transportation costs as much as three miles of water transportation. It is evident, therefore, that the greatest economy must be exercised in the operation of a railway, and that it is of the highest importance to bring to the lowest possible figure the first charge on the railway, that is, the first bonded debt on the road itself and its equipment. The less the railway is loaded with a bonded debt the better its position to compete with its neighbors. For instance, let us suppose a uniform volume of traffic on the following transcontinen-

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tal roads; that traffic, exclusive of the working expenses, would have first to pay, on account of interest on the cost of those roads:

On the Union Pacific.....	\$5.47	per mile.
“ Northern Pacific.....	3.200	“
“ Southern Pacific.....	2.939	“
“ Canadian Pacific.....	1.400	“

In other words, each of these roads would have to charge, per mile, on its freight on 1,000 miles of road:

The Union Pacific.....	\$5.47	per ton.
The Northern Pacific.....	3.24	“
The Southern Pacific.....	2.94	“
The Canadian Pacific.....	1.45	“

A tariff of \$5.47 per ton on the Union Pacific would be equivalent to \$1.45 for the same quantity of freight on the Canadian Pacific. And take 1 cent as a basis of calculation, the charges in respect to payment of original cost price would be:

Union Pacific.....	\$1.00
Northern.....	0.57 $\frac{1}{2}$
Southern.....	0.53 $\frac{1}{2}$
Canadian Pacific.....	0.26 $\frac{1}{2}$

If our great national enterprise has not been the outspring of a caprice, if it has been built to develop the great resources of our country, and to create new industries and a great continental traffic, we know what our duty is towards that enterprise. I cannot say it too loudly or repeat it too often: Let us bring to its minimum the charge on construction, for fear of hampering the first efforts of the company with the cares and difficulties of pressing financial wants. I am sure this is the only means of obtaining the full measure of the earning capacity of the company, the only means to give it a chance of creating new fields of action for its activity and energy. I am aware that up to the present time none of the American transcontinental lines have succeeded in controlling a single ton of the commerce between Europe and Asia, with the exception of a special order of silk worm's eggs for France, and a small lot of furs for Great Britain. I know that even the wheat of California has not been exported overland to Europe, and that the 16,000 miles from San Francisco to Liverpool, around Cape Horn, have not frightened the exporters and driven them across the continent to New York and Liverpool. I have read the humble declarations of the proud Yankee, confessing his inability to solve that problem, having before his eyes the fiascos which have met his attempts in that direction. I have seen the declarations of Mr. Whittoy, the general freight agent of the Central Pacific, ridiculing our right hon. Premier in his attempts and his hopes of bringing the Anglo-Asiatic trade through the British North American continent, and calling those anticipations mere absurdities, and doing so with the approval of the United States Government, who are opening their official reports to those productions of Mr. Whittley's wisdom. Well, Sir, in spite of the experiments that have been made, in spite of the declarations of the railway scientists of the great Republic, in spite of the admiration that I have in the superior ability which our neighbors have shown in all their attempts in the direction of commercial success, nothing that has happened has yet shaken my firm belief in the future conditions of Asiatic commerce in relation to our country, to our great transcontinental route. In all those questions the question of cost is everything; and I confess I cannot see how the American routes could compete for that commerce, time and distance being the elements of cost. If we compare the respective distances, we find:

	Miles.
By Suez Canal, Yokohama to Liverpool.....	11,275
By way of New York.....	Yokohama to San Francisco... 4,650
	San Francisco to New York.... 3,320
	New York to Liverpool..... 3,040
A total of.....	11,010