

Manitoba Railway. Suppose it does take that course—I put it simply as a hypothesis—what will be the result to us? I venture to say that its certain result will be that a very small portion, if any, of the north Superior section will be built, and that we will stand in this position. We will have given a bonus over and above the cost of the road of \$27,000,000, we will have given a road of 2,000 miles, 700 miles of which will be a first-class road, through a very different country, for the purpose of giving an excellent branch line to the St. Paul and Manitoba Railway. We will have given them a twenty years monopoly besides, and perhaps then the Company would permit us, after all that is done, to build at our proper cost a line of 800 miles from Portage la Prairie to Jasper House, so as to secure for our Thunder Bay line a portion of the trade of the Pacific Railway. Fifthly, Sir, I take issue entirely with their omitting to fix such rates as would prevent the future population of the North-West from being put under the power of these grinding and terrible monopoly tolls, which have proved such a tremendous detriment to the progress of the country on the other side of the border. Now, Sir, these gentlemen tell us that this need not, in the slightest degree, disturb us, because, say they, the Government can fix the rates. Well, as my hon. friend pointed out, the Government can fix the rates. The Government must fix the rates in the early periods of the railroad, and at a very high point. I think every reasonable man will admit that. But, Sir, by the provisions of this contract, you take away from the Government, for ever, the power of revision; you do not permit these rates, once fixed, to be altered until there is a profit of 10 per cent. on the total cost of the railway, which will be, according to the estimate of the Minister of Railways, \$78,000,000; according to my own estimate, and that of my hon. friend (Mr. Blake) at least \$100,000,000, because I say the lowest figure at which you can estimate the value of these lands to-day is \$2 an acre; and that sum not provided by these persons, but provided by us out of our own pockets, and out of our own lands. We are, if I understand the terms of this contract—and my hon. friend beside me (Mr. Blake)—the first lawyer in the Dominion—gives the same interpretation as I do, we are to pay ten millions of dollars, or ten per cent. on whatever the road is to cost, before we are allowed to lower a single toll; and I suppose if this road develops a vast traffic, if there be a profit of \$10,000,000 a year, if we thought well to acquire control of this road, the lowest sum we should have to pay would be two hundred millions of dollars before we could deliver ourselves from the monopoly which these gentlemen ask us to-day to establish. I have spoken before of the sixth error of omitting to compel sales of the land. Now, I am inclined to believe that a very considerable amount of the land may be sold, very likely will be sold, and on liberal terms, in the first instance, by the gentlemen of the Syndicate. But this exemption from taxation will induce them, I fear, to hold very large tracts of land indeed until the progress of the country will enable them to dispose of the land at a very high figure; and I say, that is a fatal blunder that ought to have been guarded against, that hon. gentlemen are inexcusable for not guarding against, because it had been guarded against by my hon. friend the member for Lambton (Mr. Mackenzie) in the measure he brought down. As to the seventh error, that of giving the road in perpetuity under the pretence that it is unlikely, if not impossible, that the Government can work it profitably, it is, I admit, a question on which there is fair scope for argument: whether or not it is wise for the Government to attempt to control a great railroad? But, I say, if the Government does decide on that course, that departure should be carefully guarded and power of resump-

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tion should be reserved, so that if the railroad became a profitable and lucrative concern, the Government could resume it on favorable terms. I do not object to large and liberal provision being made to compensate the Syndicate for the money which they themselves put into the road. I should not object to 15 per cent., if you think fit, being allowed to them for the money they expend on constructing the road. But it is a monstrous thing that hereafter, if we are likely to require to resume the road, we should be compelled to pay 10 per cent. on the profits of our own money invested in it. Moreover, it is well worthy of the House to consider whether, after all, it may not be possible, in the condition of a country such as the North-West, for a Government road to run profitably. I do not doubt that hon. gentlemen, on the other side, are aware that on the continent of Europe—in France and in Spain—it is not the custom to grant roads in perpetuity, even when no Government aid is given. The roads in these countries are granted for short terms of years—fifty, sixty, seventy, eighty—I believe ninety-nine is the longest period. They ought to know that in the Australian Colonies and in India, where the conditions are similar to those in the North-West, Government roads are run and worked at a great profit; and I say they are too precipitate in giving this road in perpetuity to anybody who will take it off their hands, and giving also, as they do, a monstrous premium on its construction. Now, Sir, I call attention, in the ninth place, to the extraordinary degradation of the road, and to the remarkable ignorance which the hon. Minister of Railways displayed on this essential item of his own contract. Now, what is the consequence of this? Well, Sir, there is one very remarkable consequence. We know perfectly well that, in dealing with this Syndicate, we are, to a great extent, if not altogether, dealing with a certain powerful corporation on the other side of the line. If that road be deflected—as I believe it will be deflected, let Ministers say what they please to the contrary—one consequence will be this. It will, I admit, be very much in the interest of the Syndicate—very much in the interest of the St. Paul and Manitoba Railway—to construct well, perhaps, with a very high standard, the greater part of the central section of 1,450 miles; but it will not be for their interest, in the slightest degree, to construct, according to any higher standard than that prescribed, any portion of the other sections, or at any rate that section which runs along the north shore of Lake Superior. I do not myself believe, as I said, that if this contract stands, that section will be built at all; but it would be very easy to build it, literally in the terms of that contract, and yet leave it perfectly worthless for the conveyance of heavy freight. Now, Sir, there is a tenth objection, and a formidable objection, I think. The hon. gentleman was good enough to tell us that he had enlisted the aid of a very powerful corporation, and that he expected great benefits in working the road and in promoting immigration in consequence. Sir, that is very well, but this corporation has interests not necessarily hostile, but which may be conflicting with ours, and even hostile, in certain aspects. Consider this whole position in conjunction with certain facts to which I have called attention. Sir, it is not the interest of that Company, it never can be the interest of that Company, that there should be free competition in railroads in the North-West. It is not to their interest that the tolls should be reduced; it is not to their interest that settlers in the North-West should be allowed to get their produce to the sea-board at the cheapest possible rate. It is distinctly the reverse; they are bound to take the highest toll they can get. I do not doubt they will get it, nor do I severely blame them for so doing; but the result of that will be, that if you pass this Act and take away the power, which, as soon as you have constructed the Thunder Bay Branch, you would have in your own hands of