

quiet until the end. Twenty per cent. fetched him, and he must give us this diatribe, in which he went over a great number of things, but did not touch the subject of my remarks. He said that I had been answered fully in my speech of the other evening. Well, I did not repeat my speech of the other evening. I am not discussing this question now. But he says I have shown you that the Company paid \$10,000,000 of their own money before they asked the public to subscribe. No, the hon. gentleman has not. They may have done so, but they have not yet shown it. We asked for particulars relative to these statements, and the period at which the company paid their subscriptions on the stock they took and the relative dates of issue to the Syndicate. He says the stock would not have been worth ten cents on the dollar at the time the Company went into it if that stock had not been backed with their own money. I deny the statement. My opinion is the system is an erroneous one—one not contemplated by Parliament at all. I do not think there is a man in the House—except perhaps the hon. Minister of Railways himself, who may have had more intimate knowledge than the rest of us—who had the slightest idea that the stock of the Canadian Pacific Railway was at the furthest to be raised beyond \$25,000,000 when the contract and the Act of Parliament was passed. We discussed the contract throughout on this basis. We discussed the question of tolls upon the idea that the maximum of stock would be \$25,000,000, and I say that a system of finance under which a \$100,000,000 of stock is raised, when Parliament assumed that the maximum would be only \$25,000,000—not because the road wants \$100,000,000, but because this affords an opportunity for stock watering and stock speculation which would not be afforded if the much smaller amount had been issued at par, and a dollar of money given for every dollar of obligation given by the Company—because this change takes place after the fashion I have mentioned of giving stock to the new syndicate at twenty-five cents, and then saying they are meeting with disaster because the public will not take the balance at fifty cents—I say that operations of that description entered into for the purpose of stock watering and stock speculation, is an operation not contemplated by the contract, not calculated to be really beneficial to the country but calculated to involve us as a people, so closely allied as the Government is becoming, by virtue of these resolutions, to the Company—not merely by the creation of the Company, but also by the relations of the Government, the Parliament and the people with the Company—in all the discredit which belongs to the system of stock watering as it exists in the United States. If you will consult the statistics, you will see that in the United States the total expenditure upon railways in the preceding year, if I remember aright, was something like \$1,000,000,000; you will see that the addition to the nominal stocks and bonds of the railway companies approximates to \$2,000,000,000; so that in a certain period in which \$1,000,000,000 has been added to the real value or the real work, \$2,000,000,000, or nearly twice the amount, has been added to the nominal stocks and bonds and capitals assumed to represent the expenditure of these various companies. That is the description of operations to which we are now asked to give our assent—to give facility for speculation—because the stock is at a low ebb. I ask is it not relevant to know what the Company themselves valued the stock at; the price at which they took it themselves, the price at which they issued it to the Syndicate, and the price at which the Syndicate sold it to the public. As to the hon. gentleman's statement that the stock was sustained by the guarantee, and that you must deduct a certain amount because of the guarantee, I say it is not so. The stock was sustained at the prices which it has since attained, and the prices were higher before the guarantee than those which it has attained in some instances since. The public was

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unable to perceive what was so very plain to all the capitalists and financiers in Europe and America, that if the Company took off its resources a very large sum and invested it at 4 per cent. to secure a dividend for ten years, it would add enormously to the value of the stock of a Company engaged in a large enterprise, and wanting all the money it could get to complete its work, instead of putting it aside to pay a dividend. All the capitalists of Europe and America, the hon. gentleman said, were of that opinion. But what the capitalists thought, they would not back by their money and not one of them would take hold of it. That is the state of things to which the hon. gentleman alludes. The hon. gentleman turned back to the old motion, to the motion which is not now before the House, and he said I took exception to the creation of the North-West Land Company and threw doubt on it though I knew that Company would be injured thereby. I have stated the arrangements made by the Canadian Pacific Railway Company with the North-West Land Company is an excellent good one for the Company, but not so good for the Canadian Pacific Railway. But I will say again that if the Canadian Pacific Railway, being themselves the vendors to the North-West Land Company, had announced to the intending investing public that they themselves were taking shares, he may judge for himself what effect that would have had on the intending buyers. What is worthy of complaint and of observation is that these shares were taken, as I believe, unknown to the public, by the Canadian Pacific Railway and had according to the statement of the hon. member for Richmond and Wolfe, in order to prevent the proposed subscription failing. To avoid failure, the Company took \$1,200,000 of stock and so the enterprise was floated. That transaction was not right; and whether it tells for the Company or tells against the Company, if such a transaction as that takes place with reference to a Company with which this country is so intimately connected, and with which it will be so much more intimately connected, I shall at all events avail myself of my privilege on the floor of Parliament to state my opinion about it.

Amendment (page 225) agreed to.

On the main motion being put,

Sir CHARLES TUPPER. Mr. Speaker, I do not intend to detain the House, but I must make a single observation in regard to the point which the hon. the leader of the Opposition made, as to the speeches which he delivered in favour of the Canadian Pacific Railway Company's enterprise, and which he thinks should entirely absolve him from any charge of obstruction or hindrance of that great work. I quite admit, Sir, that the hon. gentleman did speak, on the occasion when the contract was submitted to the House and again a year ago, in very extravagant terms with regard to the great value of the subvention that was given to the Canadian Pacific Railway, and the great wealth which the parties engaging in it were about to receive; but he forgets that he had discounted that speech by the speeches he had made for five long years, when he was connected with the late Administration. He forgets that he is capable one day, when it suits his party exigencies, of declaring that the land in the North-West is of no value, and a year afterwards, when the party exigencies demand it, of saying that it is worth \$4 an acre for 25,000,000 acres. The hon. gentleman must remember that it is not very easy to give value to statements made by an hon. gentleman according to the demands of the exigencies of the party, and regardless of the facts upon which they are based. If the public and the country did not attach such great value to the exaggerated statements he made as to what the Canadian Pacific Railway were receiving and the great fortunes the Company were likely to make out of their con-