

expenses; that in that country, having the great advantage of the settler being able to plough without clearing, there were other initial expenses—expenses connected with buildings, fences, &c., which were to be set, to some extent, against that advantage, and that the remoteness of the country, the expenses of transport, and these initial expenses, certainly demanded the greatest consideration on the part of the authorities who believed, as I think this House at large believes, as I think the country believes, that what is really for the interest of the country is that the North-West should, at the earliest moment, be settled with a thriving, industrious, prosperous, and contented agricultural population. We pointed out that there would be financial difficulty in the way of the settler; and yet, in the face of that difficulty, great as it was, with the financial burdens imposed on him, the Government took the step of increasing those tariff burdens at the last Session. Then there was the further difficulty in connection with the disallowance of the Provincial railway charters within the bounds of the old Province of Manitoba; a course which, as I have pointed out more than once is, in my view, a derogation of the rights of the Province as a member of the Confederation, is not called for by the contract of the Canadian Pacific Railway Company, and is opposed to the express declaration made on the subject when the contract was being passed through the House. And the result of this difficulty, of the check in looking elsewhere which the Government has interposed, has been that the people of that country have now their eyes turned towards the Hudson Bay, and they are anxious, even desirous, that their boundaries shall be extended and their large obligations increased by the Government and Parliament, on the faith and credit of the people of a new Province, already struggling under considerable difficulties necessarily incident to the settlement of a new country, in order that a railway may be built to that Bay, and they may thus obtain some means of escape from the greivances which they feel to be so serious in regard to railway communication. I will not enlarge on the consequences of the scheme if it be successful. I am sure that after what has been said in regard to the Pacific Railway contract and the means of outlet and inlet to that country, the hon. Minister of Railways will be found assisting to the utmost of his power the Hudson Bay Railway; and whatever the consequences may be to us in the east, it is impossible that we can refuse to those people any means of ingress or egress open to them in that direction. It is quite true with respect to this very question of the monopoly and consequent high rates, that some redress has lately been accorded. Within a few days a very important reduction has been made in the tariff on grain carried over the Canadian Pacific Railway. And I am glad to know it; it is a fortunate omen. It indicates that the company is accessible to the remonstrances of the people, when sufficiently loudly expressed; but it indicates also that those complaints which were made as to the tariff were sound complaints. It indicates that the Tariff was too high; or else why was the reduction made? It indicates, therefore, that the grievance which we said would arise has arisen, and at any moment may recur. On the whole, this subject, to which the hon. gentleman has thought fit not to give any attention in the Speech from the Throne, and which the hon. members who moved and seconded the Address in reply, thought unworthy of notice, seems to be a very serious one, one of the most serious which we have before us. It seems to me that history is repeating itself, and that the same Government, presided over by the same hon. First Minister, which a number of years ago, in the early history of our connection with the North-West, imperilled that connection by its course of administration, has done much to thwart the progress and check the feelings of cordiality and kindness which ought to exist

between other people of that district and the people of the rest of the Dominion. With respect to the Canadian Pacific Railway, the hon. gentlemen who have spoken have indicated that the Speech contains matter in truth on which we ought to congratulate ourselves. We have heard much of the immense exertions which the company have made, of the great work which they have done, and we are told it is of the last consequence that the railway should be completed within two years from the present time. Mr. Speaker, I consider the statement made in the Speech to be one of a grave and alarming character. It informs us that during the recess of Parliament the Government took the responsibility of arranging for the guarantee of the interest at a certain rate upon \$65,000,000 of the stock of the railway, on receiving cash and securities. That was a transaction which, as I understand it, was not authorized by the law. The Government, no doubt, has power to sell terminable annuities, but their power to sell them is contained in legislation, which enables them to do that for the purpose of obtaining cash to pay our debts; and I do not understand that they have power to issue terminable annuities in exchange for anything else but that; and, therefore, in so far as this was a transaction in which what the Government received was securities and not cash, I am not familiar with any clause of any Act of Parliament which justifies that step. But if it were justified, it was a very grave step to take. It involved a very large transaction, and we have not yet before us any indication whatever as to what the securities were; what the *quid pro quo* was, what the consideration was, in respect of which the Government undertook this particular obligation. The transaction is said to have been justified, accomplished as it was within a comparatively brief date of the meeting of Parliament, by the importance to the country of steadying and increasing the value of the stock of the Canadian Pacific Railway Company. And I have no doubt, as has happened before with other Governments—and it is the ordinary recourse under such circumstances—had it succeeded, its justification would have been said to have been its success; but it has not got that poor justification for a step of this description; for, instead of having succeeded it is said to have failed. And, indeed, I am unable to perceive how, if it were true that for every dollar guaranteed a dollar of tangible and available securities was handed over by the company, which might otherwise have been used, the transaction, although it might enhance the price of existing stock for the purpose of buying and selling, could not be said to have the elements of permanent success. If, on the other hand, we are to give without getting, that is a different transaction. But no new plan is indicated. We are told the particular plan which the Government adopted has failed, and we are told that we are to expect something or other in substitution for it. The reason that is given for this is a single reason: It is said that the Canadian Pacific Railway Company are about to anticipate the period at which it was to complete the work, and that in order to anticipate that period the company require, at an earlier date, I suppose, and perhaps to a larger extent, cash than it would otherwise require. We all recollect the boasts that have been indulged in for the past two years, as to this anticipation of the work. We recollect the glorifications in which hon. gentlemen opposite indulged as to the standing and financial strength and connections of the corporators of the Canadian Pacific Railway. We recollect the sense of relief which they expressed themselves to feel and in which they asked the House to participate, and the country to indulge, as to the burden lifted off our shoulders and placed on the shoulders of men who were able, willing, and ready to bear it; and then when they came to be, as hon. gentlemen said, "better than their word"—when it was alleged that the company were going to anticipate the