

know anything about it I would not speak on the subject.

HON. MR. POWER—I think it would be a good rule to observe about other things too.

HON. MR. ALMON—Example is better than precept.

HON. MR. POWER—I do not remember now what the exact reason was why the company were so hard up. I have tried to give what I think is the true reason.

HON. MR. DEVER—I suppose they want money.

HON. MR. POWER—There is one thing which I do happen to know on very fair authority about the company. When the company came last year asking for an advance from the Government it might have been noticed that some of the officers looked very much worried and were evidently in very serious trouble. I think any one who has paid attention to their movements and looks this year, has probably noticed that it is different now; and the reason I believe is that since last year the company have not invested their own money, and there is not any of their own money at risk now at all. They made up their minds, after the experience of last year, that in future all the money that was to be spent on the road should be expended not by the company but by the country; and we have the fact that, while the shareholders of the company—a great many of them—are very wealthy people, and while the stock of the company is so valuable, the men who have been doing the work for the road cannot get their money, and the company is issuing its paper, some of which I am informed has sold at a discount in the market of Montreal. The Minister said that we had no right to ask more than that the money went on the contracted line. We have reason to ask more than that. These people got the contract because they were wealthy men capable of implementing—I think that is the term the Minister of Railways of that time liked to use—

HON. MR. PLUMB—That was Mr. Blake's word.

HON. MR. POWER (continuing)—We had a right to expect that they should expend a reasonable amount of their own money on their road. The effect of this bill is that we advance the company \$5,000,000 and instead of a first mortgage for \$30,000,000 we take a mortgage for \$20,000,000 and we admit \$15,000,000 in addition along with us. Speaking of the cause of the failure of the company to carry out their contract without coming to us for more assistance, I left out of sight one matter to which the Minister of Justice adverted, and it is a very serious item—the Algoma branch. We have had the wisdom and skill of the policy of the company and its engineers held up to us many times; but I think the construction of that Algoma branch is a very fitting monument of the wisdom, skill and judgment of the people who have controlled the Canadian Pacific Railway. The company put \$2,250,000 of the country's money into that branch, and then abandoned it and have let it lie idle and useless for a year. I think the line has been finished to Algoma Mills about a year, and it has been lying idle ever since. The company showed great enterprise in having steamers built for them in the old country; but I think they showed a lack of practical knowledge, inasmuch as when the steamers came out they found them too large for the service; and because of that mistake we are told the Algoma branch has to remain idle, and that \$2,250,000 has to remain invested there earning nothing. Add that \$2,250,000 to the amount I mentioned before, and you can understand why the company are short of money. The Minister having dealt directly with the provisions of the bill before us, undertook to deal with the charges which had been made against the character of the road. Now I do not propose to deal with that matter at any length, because I do not know enough about it to do so, but I know this: it is admitted by the Minister that there are permanent grades on that road in the Province of British Columbia of 116 feet to the mile. The contract that the company made was that their road was to be equal to the Union Pacific when it was completed, and the Minister entered into an argument to show why that contract was not to be strictly construed. He said: