

Manitoba question at all. The greater part of Canada is as much interested in it as Manitoba is. To build a railway as far north as the Saskatchewan must eventually lead to the tapping of that road by branch lines into the far North-west. Now, my hon. friend from Richmond agreed with me in 1891. We both advocated that the government should grant \$80,000 a year for twenty years in aid of the Hudson Bay Railway and a land grant of 6,400 acres per mile. He thought it in the public interest that that road should be constructed, not as far as North Saskatchewan only, but the whole road through to Hudson Bay and I think he must be in error now as to the Order in Council.

Hon. Mr. MILLER—I said in 1891—and I would adhere to it still if the resources of the country would permit it—that even if the opening of the Hudson Bay Railway interfered with the traffic which we expected from the large expenditure on the Canadian Pacific Railway, drawing freight to the Gulf of St. Lawrence, I would still support it as a national undertaking; that is, if it could be shown that the road was feasible.

Hon. Mr. KAULBACH—I think my hon. friend considered at the time, as far as his information went, that it was feasible.

Hon. Mr. MILLER—No.

Hon. Mr. KAULBACH—And he thought the resources of the country would warrant that expenditure?

Hon. Mr. MILLER—No.

Hon. Mr. KAULBACH—He says now that the financial depression does not justify us at the present moment in making the expenditure. I think that is the burden of his remarks.

Hon. Mr. MILLER—Yes, to-day.

Hon. Mr. KAULBACH—Well, I look upon this as being simply a loan or substitute of so much money to the company in lieu of what was granted in 1891. They found that they could not build the road, and this is simply to help them along, 250 miles at \$10,000 a mile, and being a loan, merely an advance, we were to take the rolling stock, the land grants, and any subsidy that

might be given as security for the repayment of our money. I trust that the Order in Council is upon condition that Canada is to be freed from all liability to the company under the legislation of 1891. If the road is built as far as North Saskatchewan, I believe it will not end there, I believe that public spirit will so manifest itself that the road will go through to Hudson Bay, and then I have no doubt that there will be navigation to Europe. The straits are navigable, I believe. We had that question before us long ago, and it was proved that for hundreds of years sailing vessels passed in and out of the bay, and we would be able to overcome all the difficulties in the way of navigation in the straits. I have no doubt if a railway is built to the bay it will lead to the opening of a large trade. I do not believe that we will be able to fill up that section of the North-west Territory until we have that railway to Hudson Bay. Last autumn when the leader of the opposition was gallivanting through the North-west Territories and Manitoba, angling for votes, he spoke of the Hudson Bay Railway as a great enterprise.

Hon. Mr. POWER—The hon. gentleman is quoting the *Montreal Gazette*.

Hon. Mr. KAULBACH—I am not drawing on my imagination or quoting the *Montreal Gazette*, but my information may have come from that. However, he was up there last autumn when he was angling for votes. He said it was his desire and his hope that on his advent to power the railway from Manitoba to Hudson Bay would be completed at an early day. The government here and the country are committed to this railway—at least as far as North Saskatchewan—as part of the whole route, and we undertake to give \$80,000 every year for 20 years, and I consider now that we are not in a position to take a gloomy view of things. Yet our expenditure should be kept within the limits of our income. It is true that we have gone through a period of depression and that the expenditure this month has been \$450,000 larger than it was in the corresponding period last year, but it is the fog end of the depression, and we begin to see daylight and sunshine. The reaction will set in, and it will be as decided as the depression while it existed. Therefore, I