

if the Minister of Finance were trying an experiment of that kind, when he issues debentures to recoup the people of Canada for the money that is expended on this road. It is true that from Winnipeg to the coast we have a mortgage upon the Grand Trunk, for the money expended on the construction of that section. That is some kind of a security; but what does it amount to?

There is to be expended \$13,000 on the prairie section and \$30,000 on the mountain section. For that we are to get security to the amount of 75 per cent on every \$100 expended in the construction of the road. Besides that we are to have security on what? The rolling stock of the road to the extent of \$15,000,000. The parties who will supply the rolling stock will take the precaution of having security on it, and it is only the balance that will be liable as security to the government. We have no security on the undertaking from the Grand Trunk Pacific or from the Grand Trunk, which does not appear in the contract at all. We have only the security of the \$5,000,000 worth of rolling stock, which is to be earmarked for the eastern division of the road. We have of course the security of the road on the money we advance for the building of the western division from Winnipeg to Port Simpson, and we have the security of the road from Winnipeg to Quebec for the amount expended on that road. Will the undertaking, after it is finished, be worth the amount expended upon it? I do not believe it will be, nor do I believe the road from Quebec to Moncton will be either, if it is ever built, which I do not believe it will be. Nor do I believe it will be possible to obtain a route for a first-class road from Quebec to Winnipeg. I do not believe that section of the road will be worth one-quarter of the money expended upon it. And what security have we that the road will be operated? The security of the Grand Trunk Pacific Company. Who are they? A couple of senators and a lot of others who have formed themselves into a corporation for the purpose of making this agreement. The Grand Trunk Pacific Railway Company are in no way bound by it. Their guarantee would not amount to anything, even if you had it; but they take care not to enter into the undertaking at all. Suppose that there is a deficiency; suppose that the Grand Trunk Pacific Railway Company are not able to work the road, the whole undertaking will be flung back on the hands of the government. What would be the yearly cost to the government of such a road, extending from Moncton to Quebec and from Quebec to Winnipeg, a distance of nearly 1,700 miles? We can judge to some extent from our experience of the Intercolonial, which passes through a comparatively fertile and well settled section of country. If you want to develop the northern country, do not expend the money in any such manner. There are a dozen

Hon. Mr. HAGGART.

ways in which it could be better expended. Assist the Grand Trunk Railway, if you like, to obtain an entrance into the North-west, and if possible get them to pass north of lake Winnipeg. As I said before, in a speech I delivered in this House, I am favourable to the scheme if the right hon. gentleman will see that the railway goes as far north as possible. It is possible to develop that section of the country. Let the road be built, and let generous assistance be given to those who build it; but do not pledge the credit of the country for the enormous sum required to build a railroad from Winnipeg to Quebec. As I have said before, I believe that much of the land which appears to be barren in the northern parts of Quebec may turn out, from its mineral and other resources and its water-powers in the lacustrine districts, to be as important as any of the settled portions of this country. It is within my experience that lands which twenty or thirty or forty years ago were considered entirely worthless have turned out to be much more valuable than the best farming lands in the country. It is possible that such lands may be found in the northern country. But develop it gradually. Make your expenditure upon commercial principles, and with the judgment and intelligence that ought to guide you in the matter. Let us have surveys of the country made. As I have already stated, we spent six or seven years in making surveys before we entered into the contract for the construction of the Canadian Pacific Railway, and they were only partial surveys at that. We are now entering into a contract which involves a much more enormous sum of money, and we have not a survey between Quebec and Winnipeg, nor have we any means of knowing what the expenditure for that road may be. Let us proceed slowly in regard to it. One thing we do know, that Manitoba and the North-west are an immense wheat field, with enormous capabilities. At present the Grand Trunk Railway has no direct connection with that country; and in order to divert it from forming American connections, let us assist it along the line of the proposition which the company placed before this House at the beginning of the session. I believe there is no justification at all for that portion of the proposed road from Quebec to Moncton. According to Sir Sandford Fleming's report, it is impossible to get a line with fair gradients in that section of country. The only route suitable for a railroad is that followed by the Intercolonial. Why build a second Intercolonial Railway for the purpose of taking freight from the other portion of that railroad in the maritime provinces. Develop the road which you have at present. Do not destroy the towns and villages which have been built along the line of the Intercolonial Railway, in the hope of getting a shorter route from Quebec to Moncton. If you get