

secure a company that would undertake to build and operate the road. The House was so unanimous on this point in 1871 that resolutions were offered by both sides placing it beyond the power of the Government to expend money as a Government in the work of construction. The Pacific Railway Act affirms the view I take; the charter of Sir Hugh Allan & Co. also affirms that view; the resolution of 1879, which set aside 100,000,000 acres land, equally affirmed it; the constant efforts which the present Administration have made, since they came into power, to find a company supports the position I have taken, that it has always been the policy of the Conservative party to build this road by means of a subsidized company. The views of the Liberal party on this point seem to concur entirely in the position taken by the Conservatives in this respect. Almost nine-tenths of the Railway Act of 1874, is taken up with providing machinery for the construction of the road, by means of a company; and in the last clauses of the Bill, power was taken, in case nothing else could be done, to proceed with certain sections of it as a Government work. We find, however, the policy of the Liberal party on this question is declared by the present leader of the Opposition in his speech last Session, reported on pages 1428, and 1431 of the *Hansard*. He said, as reported on page 1428:—

“It has been repeatedly explained by my hon. friend, the member for Lambton, that his intention was, as soon as the surveys were completed, to submit the whole of the road to tender, on a land and money basis, the contractors taking over as cash on account the works meantime executed by the Government.”

And further on, he said (see page 1431):—

“But meantime further progress was made, and to some enquiries the Government answered that it hoped to be able shortly to advertise for tenders for the whole work on the land and money basis. It was the policy of the Government, at the earliest moment at which the condition of surveys would permit, to take that step and so to give a fair trial to the plan—the only plan by which the road could be constructed in any short time without increasing the rate of taxation.”

Now, I think we may at once admit that the three positions I have taken are fully and clearly made out, that both parties are equally responsible for the undertaking, that both are agreed it is better to construct the road by means of a company than by the Government, and that this obligation to construct the road is irrevocable. But independent of the declaration of every party in years gone by, it commends itself to the common sense of every hon. member of the House, that it is preferable this work should be constructed and operated by a company. In the first place, the contract, such as it is, reduces to a comparatively defined amount the expenditure which is hereafter to be made by the Government. In the next place a contract of this kind, puts the matter out of the domain of party politics which, to my mind, is one of the strongest reasons why we should prefer that course to any other. In the next place, the road can be constructed more rapidly by a company than by the Government; in the third place, it can be constructed and operated more cheaply by a company than by any Minister of Public Works, no matter how watchful he may be. We all know what strong pressure is brought to bear on a Government to induce them to take employees into their service that are unfit for the position they ask for, and perhaps not at all needed. We all know how difficult it is for a Government to operate a great railway such as this will be as cheaply as a company could operate it. But over and above all this, is the fact that the arrangement proposed would render the Government the very greatest possible assistance in the way of attracting immigrants to this country. If you consider the average cost per capita of inducing immigrants to settle in the older provinces of this Dominion, and the great additional cost of inducing them to settle in the North-West, and then estimate the number likely to

settle there, you will obtain some idea of the several millions of dollars which will be saved to this country in the expense of immigration alone. The only objection to this scheme worthy of consideration which I have heard, is that it will place in the hands of a company a large lot of land which they may retain on speculation. This objection would be a very natural one for us if we were in a position to build that railway and present it to the North-West; if we were in a position to deal with these lands entirely as free grants and homesteads. If this country possessed a population of thirty millions, if we had an overflowing treasury and no public debt, we might very fairly be asked out of our abundance to construct the Canada Pacific Railway, and to take immigrants there and give them those lands free. But, unfortunately, we are not in that position. No one expected that the older provinces of this Dominion would undertake the cost and the burdens of taxation necessary to build that railway, and open up those lands for settlers. That is not our position, and, therefore, we are not in the position to object to the sale of lands for the purpose of constructing the railway. I believe there are thousands of people in this Dominion who would say: Take as much of the land as is necessary for the purpose of building the railway, and free us from the burden, even if the land must be excluded from settlement forever. I believe there are thousands of people in this country who would say: If it is necessary to consecrate one half of the fertile belt for the purpose of constructing that railway, then take it, rather than impose on the older provinces of this Dominion the burden of taxation, which otherwise must fall upon them. Having disposed, Sir, of what are, as it were, the political aspects of the case, I must ask your attention for a few moments to the question as to whether the bargain proposed in this contract is a fair one to the country. The hon. leader of the Opposition, in discussing this same point, has quoted very largely from the estimates made during the last Session by the leader of the Government and by the Minister of Railways. He has taken his estimates of population, as well as lands likely to be sold, from the leader, and he has taken his estimates of cost from the hon. the Minister of Railways. Now, suppose we take his own estimates and apply them to this question, and ascertain from them what is likely to be the advantages or disadvantages of this bargain. We find that, during the course of last Session, in his celebrated speech, he estimated the cost of the road from Selkirk to Edmonton at \$17,650,000; from Edmonton to the Summit \$9,000,000; from the Summit to the Pacific \$36,000,000, making a total of \$63,550,000. Now, the costs from Kamloops to Yale is estimated by Mr. Fleming at \$10,000,000, which figures are a great deal more than the present estimate, and from Yale to Port Moody \$3,500,000, a total of \$13,500,000. Deduct this from the \$63,550,000, and you have the idea of the leader of the Opposition as to the cost of the work to be done by the Syndicate in the central section, making in all \$50,050,000. Now, to that add his estimates of the cost of the road from Fort William to Nipissing, \$32,500,000, and you have a total of \$82,550,000. That is the total cost of the work which the Syndicate have undertaken to do. Now, deduct \$25,000,000 in cash which the Syndicate are to receive and you have a balance of \$57,550,000. Now let us add the interest during the time of construction. We heard a great deal more last Session from the leader of the Opposition about interest during construction than this Session. I have not heard a word from him this Session with regard to interest during the course of construction. Now, I propose to add five years interest as an average on the whole amount, at 4 per cent, and it makes a total of \$11,000,000, which the Syndicate must pay during the ten years of construction, and you have a total of \$68,550,000. Well, Sir, that is not all the interest, we must add to the