

Ontario Government and believing that this might be a very fruitful field for pulpwood operations, we explored the river right down to James bay, and what did we find? On the fringe of the river there was a considerable growth. Our men—and I may say they were the very best explorers on the Ottawa river—travelled 20 miles inland every 10 miles for the entire length of the river, and just a few acres back from the banks of the river, there was no pulpwood at all. They found the country valueless for any purpose whatever. They had guns with them, but they never saw a bird to shoot. It is evident that previous explorers never went any distance out of their canoes, that they simply multiplied the area of the small fringe on the river by the large area of that country, and thereby arrived at the conclusion that there were 300,000,000 cords of pulpwood on the territory. It is consequent upon such reports as this that the country has such an erroneous idea of the value of its assets. I merely give this instance to show that that country north of the Ottawa and St. Lawrence rivers is enormously overestimated, and that no railway should ever have been built in that portion of Canada.

Now, in dealing with the history of Canadian railways, we have first the Grand Trunk railway. The Grand Trunk was the first great railway built in Canada. It was built at the expense of British investors, and Canada put but a comparatively small sum into its construction. The old original Grand Trunk railway is not in the position of the railways generally in Canada.

Every one knows the history of the Intercolonial railway: it was built with public money and is owned by the Dominion of Canada. The Canadian Pacific railway, like most other railways in Canada, has been built by means of land grants and other assistance, financial or otherwise, from the Dominion Government. Generally speaking, the Canadian Government or the provinces of Canada fix the basis of credit on which railways are built; and if any more are built this must be the case, because this country, with its sparse population, does not render it possible that private capital can for a long time to come engage in the building of railways in Canada. The Canada Atlantic was the next railroad, and it occupied a rather peculiar position. One man, John R. Booth, built that road, which is four hundred miles long, with his own capital and on his own credit. He after-

wards sold it to the Grand Trunk Railway company. It occupies an exceptional position, and there is no parallel for it on the continent, except possibly a road built in Virginia by Mr. Rogers, vice-president of the Standard Oil company. Next come the Grand Trunk Pacific and the National Transcontinental. Every one knows how those two roads were built. The Government owns the National Transcontinental; the Grand Trunk company is behind the Grand Trunk Pacific, guaranteeing its securities, and so forth.

Now comes the Canadian Northern. There has been a good deal of discussion here as to whether the common stock of that company is the result of investment of money on the part of the individuals who built the road. Every one knows that that was impossible, and that the basis on which this road was built was the guarantees and aids of the various provinces, and of the Dominion of Canada herself, and a certain amount of money borrowed by the promoters in the British market without any guarantees. The inception of that road was in Manitoba. The two gentlemen engaged in building it were contractors in the construction of the Canadian Pacific railway, and finally entered into railway undertakings themselves. They built their first road under a charter that had existed for many years, with a grant of land attached to it. No one had undertaken the construction of the road. These two gentlemen finally undertook the construction, and that was the beginning of what is now called the Canadian Northern railway system. Manitoba guaranteed the bonds of the road for a very considerable sum—honourable gentleman all have the figures—which enabled them to finance the construction of the road. These gentlemen extended their operations to the other two western provinces of Alberta and Saskatchewan under similar conditions, each of those provinces guaranteeing their bonds. If those gentlemen had confined themselves to the operation of those railways in the three western provinces, they would be the greatest railway men in the world today, and would have been men of fabulous wealth; but they conceived the idea of building east and west from the prairie provinces, and of finally having a transcontinental line. This ambition was gratified, first by the Government of British Columbia, and afterwards by the Dominion Government.

Hon. Mr. EDWARDS.