

ment is constructing, stipulate the mode in which the subsidy is to be paid, exempts the railway for a thousand miles where it runs through the territory of the Dominion as distinguished from organized provinces, from taxation for all time, and its lands in that territory for twenty years, or until they shall be sold or occupied, admits certain articles to be used in the construction of the railway free from customs duties, makes sundry provisions as to the mode in which land is to be granted, by which the country will retain alternate sections, and, regarding branches and working, and modes of raising money on bonds, and as regards the distribution of the money. The subsidy, as hon. gentlemen know, is to be paid on the central section of 900 miles across the prairie at the rate of \$10,000 per mile; on the western section, from the Rocky Mountains to Kamloops, at the rate of \$13,333 per mile; and on the eastern section, between Callendar Station and Thunder Bay, 650 miles, at \$15,384 per mile. The land grant is divided as follows:—

Central section.....	12,500 acres	per mile
Western section.....	16,666	"
Eastern section.....	9,615	"

The object being to secure in every way the construction of these various sections by reserving in the hands of the Government sufficient land and money to guarantee it, and I may here point out that a similar provision as regards the section on which criticism has been most close was to be found in the Act of 1874. By that Act \$10,000 was appropriated to each mile of the whole road, including the prairie section, and it was provided that each section might be taken up and executed by itself as any other section might, so that, in this respect, the two projects are upon the same footing. It will be observed that under the present arrangement, which the House is now asked to sanction, we should be giving the company \$26,000,000 less than under the plan of 1874 and something like \$7,000,000 less than under the contract of 1873. But, in addition to getting our railway for less than under either of these plans, we get other advantages upon which I think a great deal of stress should be laid: we get rid

of the management and sale of the lands which, under the arrangement of 1874, the Government continued to assume the charge and expense of.

Mr. SCOTT—Two-thirds were retained; the other one-third was given to the contractors.

Sir ALEX. CAMPBELL—Well, as regards two-thirds of the land grant, that makes a difference of a very serious and important character. I do not think that anybody can make an approximate estimate of the expense which will be saved by the management and sale of the lands being given to the company instead of being retained in the hands of the Government, but I can say this, that we have read and heard it vehemently urged by leading gentlemen in the Opposition that the cost and expense of managing the lands would swallow up the whole value of them. But I think we get a further advantage on which a great deal of stress should be laid. With the control of these lands placed in the hands of the railway company and the necessities which their enormous undertaking imposes upon them, it must follow that they will settle that country. I should rather be disposed to consider that the construction of the railway was not the greatest part of their undertaking. They have undertaken, in addition to constructing a railway, to people a continent. If they do not send settlers in very large numbers into the North-West, it is impossible that the lands could be of any value, and the railway would be less than valueless; it would be an unsupportable burthen. The success of their scheme depends upon their being able to send a large number of settlers into the North-West. The expense of so doing, which has not been dwelt upon, will entail a very great burden upon this company. To send settlers into that country in such numbers as would give traffic to the railway would require an enormous expenditure of money, and of intellect. It will require the establishment of agencies all through Europe, extensive advertising, subsidies to the papers, subsidized passages, arrangements for conveying emigrants from Europe to the North-West, and a thousand details which must involve great anxiety and an immense expenditure of money. It will be an enormous tax upon the resources of those who