

back by the Government until it was procured. On 27th April there appears to be a letter addressed to the Minister by Mr. Schreiber, in which he refers to a memorandum of rolling stock upon the line between Montreal and Port Moody on 22nd September, 1883, and he showed that on the length of the line, 2,900 miles, there were 236 engines, 126 passenger cars, 48 box cars and 6,125 freight cars. And in another memorandum, in order to show what number of engines will be required for this line, a statement is given, showing the details of train service prior to the opening of the road for traffic from Montreal to Port Moody. They give the engines for through trains so many, local trains so many, pilot engines, shunting engines, etc., making 195 altogether, and then he adds 12 per cent. for engines in the shops for repairs, or a total of 218, while Mr. Schreiber's letter shows that there were twelve more than that, or 236. Now, if the passenger cars were in the same proportion, it would appear clear to the engineer that there was a sufficient amount of rolling stock, and he goes on that ground, and reports to the Minister as follows:—

"As the line runs through a large extent of unsettled, undeveloped country, it is probable that this rolling stock would be nearly sufficient for the traffic upon the first opening of the road; hence, I am applying the whole of the \$27,000,000, with the exception of \$286,000, to the completion of the works of construction."

It appears that there was at that time sufficient rolling stock on the road when it was to be opened for traffic. However, Mr. Stephen, in his statement, shows that in 1884 they had expended in the additional equipment \$547,000; so, apparently, they had enough equipment on the road to open with, when Mr. Schreiber made his statement, and in the year 1884 they added one-half a million more for equipment, and still it seems that Mr. Stephen, when he comes before the House and makes a statement of what he wants the money for, says they require \$1,000,000 more for equipment, and among the items are locomotives, and so on. Now, that is rather extraordinary, and I think requires some explanation from the Minister. Of course when Mr. Schreiber sent in his letter it was not for the purpose of applying for further assistance from the Government, but in order to get over the difficulty that the Minister felt, when he allowed the money which had been kept back for rolling stock to be otherwise applied. The money was kept back by Sir Charles Tupper for rolling stock, and it was applied in the payment of the grading and other work of that kind, according to the estimates. Now, let us see for a moment if that money was really wanted for that other work. It will be remembered that on the same occasion, on asking for this return, I also asked for more information, which seemed to me to be very important, about the cost of the line beginning at 100 miles west of Callander and ending at 200 miles west of Callander—or a distance of 100 miles. The profiles of that road had been brought down to the House, and from an examination of them, and from what other information I was able to get, it seemed to me perfectly clear that the cost of that 100 miles was a very great deal less than the amount that the Government was advancing to the company for the purpose of constructing it, out of loan and out of subsidy; because, in the first 20 miles of that road they were advancing at the rate of \$23,000 per mile, and on the last 80 miles of the 100 they were advancing at the rate of \$27,000 per mile. What I contended was, that the Government should not certainly advance more than the cost of the road, and I asked the Government to bring down the estimates and the statement of quantities upon which they had based their calculations that they ought to pay the company \$23,000 and \$27,000 per mile for that work, and I also asked them to bring down a statement that the railway company could make for them, of the actual quantities of the work done, when the road was finished and paid for. In reply to that Order of the House, a statement was brought down. That statement

showed that so far as the Government estimate was concerned they had acted upon most extraordinary and loose information. It says, that the way they arrived at the probable cost of the road was by comparing it with similar work on the line of the Intercolonial Railway. They did not take any pains to see what the quantities were, or what the cost would be, although the Government had made it its business to build railways since the construction of the Intercolonial Railway. It has been building the Canadian Pacific Railway, and there was no difficulty whatever in the Government taking the prices in the various contracts they had made on that road, and taking the quantities out of the profiles and thus ascertain what the road was going to cost. I ventured to do that as well as I could, upon the information which was then before me, and I found that, so far as I could see, the Government, on this portion of the road, were paying to the Canadian Pacific Railway Company, out of loan and subsidy, about \$10,000 per mile more than the road was actually costing them at the time; of course, giving them 9,000 acres of land grant per mile besides, and giving them the road and everything else that goes with it. Since then we have not got any information from the Government, but upon a requisition of the Government to carry out that Order of the House, Mr. Van Horne sent to the Government, and they brought down a statement of the quantities of the work done on that line, in detail, giving all the particulars and the items. Now, there is no difficulty in arriving at what the cost of that part of the line was, after we had that information. I have taken the trouble, from the data we have in our possession, to make an estimate of what that piece of line costs the railway company to build, and we know what the Government have paid them towards it. I find that taking the statement of quantities which Mr. Van Horne gave in his statement, which accompanied his letter to the Minister of the 17th of March, 1885, and taking the prices from the contract of Marks & Conmee on the higher scale of the tenders which were accepted by this Government on section "A," 118 miles from English River to Eagle River, a remote and difficult part of the Canadian Pacific line—taking the higher scale for the earlier construction, I find this result: I find that the clearing of 1,350 acres on that 100 miles, at \$22 per acre, the price of section "A," amounted to \$29,700; close cutting, at the prices and the quantities given by Mr. Van Horne, \$2,625; grubbing, based on the prices and quantities given by Mr. Van Horne, \$4,900. Then we come to the heavy item of earth excavation, of which Mr. Van Horne says there are 1,336,848 cubic yards. Now, there were two classes of prices in Marks & Conmee's tender—one, 26 cents a yard, and the other with 10 cents a yard added when there was a longer haul. Now, I put in a considerably larger portion of this earth excavation as being on a long haul than there was in the work on section "A" and I find that at 26 cents a yard it produces \$330,000, and a portion at 36 cents a yard \$24,000. Then there is cemented earth. That is what it is called in the statement of Mr. Van Horne, which I do not find anything analogous to in any of the tenders of these contractors. It is not loose rock, but it is cemented earth, and it was not tendered for in Marks & Conmee's tender at all, but I estimate it at double the other, 50 cents a yard, which makes \$132,898 for that item. Rock, 202,456 yards, which I estimate at Conmee's tender of \$1.55, makes \$313,806. Loose rock, 86,198 yards, at 95 cents a yard, Conmee's tender, \$81,888. The bridging was estimated for by the Government at \$1,500 a mile, which, in that part of the country, is a pretty heavy estimate; but I take their own estimate for that, which makes \$150,000. Then, service roads was an item which was not in Marks & Conmee's tender—about \$250 a mile, and that is \$25,000 more. Then, there is a large number of other works, such as rails, sleepers, track-laying, engineering, buildings, water service and ballasting, all of which were estimated by the