

day, for many weeks, and those letters had more effect in placing before the people of Canada and the people of the world the advantages of the North-West than all the measures resorted to by those on the Government side.

Upon our shoulders are laid the sins which are attributable to the Government. The difficulty with the North-West is not the criticisms of the Opposition, not that the Opposition has decried that country, but the policy of the Government with regard to the land regulations, the holding of lands at a higher rate than they were held in the United States, the placing of inducements for immigrants to go there on a lower scale than in the United States. While the United States offered him a homestead wherever he could find public land, the homestead grants in the North-West were restricted to only a portion of the public domain, while the whole public domain of the United States was open to the settler. Then, in the North-West the cheapest lands were held at 75 cents per acre, higher than in the United States for lands which were more accessible, and the natural result was, that the immigrant stopped where the cheapest lands were, instead of going on to those lands which possessed no greater fertility and where there were no better markets. Then, lands were granted to colonisation companies at half the price of those same lands to the settler; they were sold on credit instead of cash, and this was another cause for discontent. Then, the Government organised a monopoly in relation to transportation, and placed the whole country in the grasp of an iron monopoly which charged the settler whatever rates it pleased. If the settler had a choice between Dakota, on the one side, and Manitoba and the North-West, on the other, he found, on one side, that there was competition in railway rates, to bring in supplies and take out the produce of his farm, that his agricultural implements could be bought in Dakota free from an import duty of 35 per cent., that his lumber could be bought cheaper, and in consequence of these advantages, resulting from the wise and more liberal policy on the part of the United States, it was natural that the settler should remain in Dakota; and still the fact that he did remain there was charged to the Opposition as one of its sins, when it was directly due to the acts of the Government of this country. The hon. gentleman alleges that the Farmers' Union decried the quality of the land in the North-West. The Farmers' Union did nothing of the kind. It is an organisation of the farmers of that country for the purpose of securing their rights, of opposing the monopolies placed upon them, of rectifying the evils under which they labor, of protesting against the outrageous duties imposed on the implements they wish to import. The hon. gentleman alludes to the monopoly clause, and he tells us that without that monopoly clause no company could have been found who would have undertaken the construction of that road. Is that so? Has the hon. gentleman any reason or right to make that assertion? Within four weeks of the time the contract was made public, was there not a company organised and an offer made by a responsible company to build the road without the monopoly clause, and with a less subsidy in land and cash?

Mr. MITCHELL. A bogus offer.

Mr. CHARLTON. Was it a bogus offer that was made, when they placed in the hands of the Receiver General of Canada \$600,000 in cash, more than the security which was taken from the Syndicate, after the contract was ratified? If it was a bogus offer, why did not the Government rake in that \$1,600,000 of money which was placed in the hands of the Receiver General of the Dominion? Sir, it is an insult to the intelligence of the House and the intelligence of the country to characterise that company as a bogus company. If I had a list of the names of the members of that company I could show that they were men of the greatest weight and respectability. There was

Mr. CHARLTON.

Mr. Alexander Gibson, from the hon. gentleman's own Province, and other gentlemen, who, in their own right, possessed capital and means enough to build that road without aid from the Government, and the hon. gentleman calls them a bogus company.

Mr. MITCHELL. I repeat it.

Mr. CHARLTON. It was not a bogus company, but a *bond fide* company, able to carry out their offer to the Government, and as an evidence of their ability they made a deposit with the Government of \$600,000 more than the Canadian Pacific Railway Syndicate were required to deposit before the ratification of the contract, and more than they deposited after it.

Mr. MITCHELL. It was bogus, all the same, and you know it.

Mr. CHARLTON. If either is a bogus company it is the one which has twice failed to carry out its contract. It is the company which, after contracting to build that road for a subsidy of \$25,000,000 in cash and 25,000,000 acres of land, and 700 miles of railway built and handed over to them free of cost—after making this contract to build the main line, failed in their conditions and came down to Parliament asking for \$30,000,000 more, and they are about to come down and ask for another re-arrangement of terms, and \$5,000,000 more. That is the bogus company, and if the Government had, in accordance with their duty, advertised for tenders, and given the contract for the construction of that road to the lowest tender, that contract would have been given to the second syndicate, whose security was put up, and if they had done so the country would have been saved at least \$35,000,000, in addition to three millions saved in the cash subsidy and three million acres of land. So much for the assertion that no company could have been found to build that road without the monopoly clause. Sir, a company was found to build that road without a monopoly clause, within one month of the time the contract was laid upon the Table of the House.

So all these difficulties in relation to the North-West which are traceable to the sins of omission and commission on the part of the Government are industriously charged by them to the Opposition of the day in this House. The First Minister, in the course of his remarks, informed us that the Government had absolute control over the tariff rates of the Canadian Pacific Railway. Well, Sir, they have control, within certain limits. They have control when the earnings of the road amount to more than 10 per cent. of its capital. That is the extent of its control, and how did they proceed to retain their control over that road. When the contract was made the capital of the company was to be \$25,000,000. And before this House or the country was consulted the company had been granted permission by the Government to increase that capital four-fold—from \$25,000,000 to \$100,000,000; or, in other words, the Government made an arrangement by which the Canadian Pacific Railway Company was to be allowed to increase its net earnings from \$2,500,000 to \$10,000,000 before the Government could interfere with the freight charges of that company. Was that an honest arrangement? Every man in this House knows that it was not. Every man in this House knows that the increased capital was not to represent *bond fide* investment, but that perhaps 60 or 70 per cent. would represent water. By means of the manipulation that company was about to engage in, it was to be enabled, on an actual increase of its investment by a comparatively small sum, to declare a net dividend of at least \$7,000,000 a year on what was no investment at all, except a fictitious one.

Then, the hon. First Minister tells us that one reason that exists for the adoption of the policy the Government