

Up to the 30th of April, 1885, the following sums have been paid to the company:—

Subsidy under the Act of 1881.....	\$12,289,212
“ “ “ 1884 .....	9,126,205
Loan of 1884 .....	20,307,600
Total.....	\$41,723,017

Leaving a balance available for completing the contract of:

On subsidy account .....	\$3,585,583
“ loan “ .....	2,192,400
Total.....	\$5,776,983

That is to say only \$60,000 short of what is required to finish the road; so that we may now say that the road is completed inasmuch as the means to construct it are in the hands of the company. Going back to the opinion expressed by the late Government and their unwillingness to build the section north of Lake Superior, I confess I am unable to understand the persistence of the Liberal Government in opposing the construction of the section north of Lake Superior, whilst they were ready to spend \$20,000,000 for the portion of the road between Lake Superior and Winnipeg. During at last five months of the year that section to Winnipeg would have necessarily been closed, and if navigation was declared to be our only resource, we would not have been in a worse position in having to use, altogether, the American route to which we were thus forced, and in having to pass through Pembina to reach Duluth, at the other end of Lake Superior. The interest alone of the \$20,000,000 saved would have allowed the Government to give material assistance to its proposed navigation of Lake Superior. And if Fort William was not to be connected by rail with Lake Nipissing, why that persistence in building, at a cost of \$6,000,000 or \$7,000,000, the section of the Canada Central and Georgian Bay branch to reach at Lake Nipissing, a terminus that would not, in reality, be used as such unless connected with Fort William? Was it intended to receive the traffic that the navigation of the lake would bring there? But, then, a few more miles of navigation south of Georgian Bay would have brought that traffic to railways already built and nearer the ocean port of Montreal. It is a fact that whereas from French River to Montreal, *via* Mattawa, the distance is 424 miles, it is but 400 miles from Midland to Montreal. The opposition of the late Government to the construction of the section north of Lake Superior was in direct contradiction to the decision of Lord Carnarvon. The reasons for that opposition are found in the despatch of the 7th September, 1874:

“The fourth condition says the despatch, involves another precise engagement to have the whole of the railway communication finished in 1890. There are the strongest possible objections to again adopting a precise time for the completion of the lines. The eastern portion of the line, except so far as the mere letter of the conditions is concerned, affects only the Provinces east of Manitoba, and the Government have not been persuaded either of the wisdom or the necessity of immediately constructing that portion of the railway which traverses the country from the west end of Lake Superior to the proposed eastern terminus on Lake Nipissing near Georgian Bay, nor is it conceived that the people of British Columbia could, with any show of reason whatever, insist that this portion of the work should be completed within any definite time, inasmuch as if the people who are chiefly if not wholly affected by this branch of the undertaking are satisfied it is maintained that the people of British Columbia would practically have no right of speech in the matter.

“It is intended by the Government that the utmost diligence shall be manifested in obtaining a speedy line of communication by rail and water from Lake Superior westward, completing the various links of railway as fast as possible, consistent with that prudent course which a comparatively poor and sparsely settled country should adopt.

“There can be no doubt that it would be an extremely difficult task to obtain the sanction of the Canadian Parliament to any specific bargain as to time, considering the consequences which have already resulted from the unwise adoption of a limited period in the terms of Union for the completion of so vast an undertaking, the extent of which must necessarily be very imperfectly understood by people of a distance. The committee advise that Lord Carnarvon be informed that, while in no case could the Government undertake the completion of the whole line in the time mentioned, an extreme unwillingness exists to another limitation of time; but if it be found absolutely necessary to secure a present

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settlement of the controversy by further concessions, a pledge may be given that the portion west of Lake Superior will be completed so as to afford connection by rail with existing lines of railway through a portion of the United States and by Canadian waters during the season of navigation by the year 1890 as suggested.”

And whilst that excuse of an excessive expenditure was put forward against the building of that important part of the main line, and the importance of that part has been fully demonstrated during this unfortunate revolt in the North-West, the Government was authorising a large expenditure, which, if not wholly useless, was, at least, unnecessary for the fulfilment of our engagements under the Carnarvon award—I refer to the building of the 85 miles of the Pembina Branch—\$1,600,000. There was also the famous Foster's contract of the Georgian Bay Branch, on the following conditions: \$850,000 in money, \$609,000 by a 4 per cent. guarantee, and \$3,400,000 in lands, say a total of \$4,859,000. That contract involved the necessity of spending another \$1,500,000 for the 30 miles remaining between the end of the Georgian Bay Branch and the terminus at Lake Nipissing. The route between Winnipeg and Lake Superior was lengthened by 40 miles by not making it direct to Lake Nipigon, thus adding an expenditure of at least \$16,000,000. There was also the subsidy to the Canada Central, \$1,400,000. The Government was willing to spend \$6,000,000 on the Nanaimo line, on Vancouver's Island, a work which could easily have been delayed. So that at the moment when they declared the building of the section north of Lake Superior an impossibility, the Government of my hon. friend from East York, breaking in that respect a sacred engagement on the plea of too large an expenditure, undertook to the amount of \$16,959,000 works, the postponement of which would not have signified and would not have been a violation of our engagements. I do not wish to enter into a discussion of the merits or the utility of those works; this is not the time to do so. I only want to state that the then Government was not unwilling to spend a sum of \$16,959,000 on works which were not included in our obligations, and that they refused to undertake the works which the Imperial arbitration had ordered us to complete. I want to state that the Government of the hon. gentlemen on the other side hesitated, pleaded, refused, and then unwillingly consented to build 1,900 miles of railway from Lake Superior to the Pacific coast in fifteen years, and as a contrast to show the present Government completing 2,400 miles of the main line and 701 miles of branches in six years, saving the good name and the pledge of the country, and opening, five years sooner, the door to that great commercial prosperity which must follow the completion of our great Canadian transcontinental railway. I know what answer our friends on the other side will give us. It is invariably the same answer, and it is an easy one, avoiding all effort in the direction of accuracy: “You have been extravagant with the money of the people; you have obtained the rapid execution of those immense works at the expense of the public chest.” Nothing is more unjust, Mr. Speaker, nothing is more untrue than that assertion thrown in our faces in the place of an answer. Who has forgotten that once the Mackenzie Government offered to any company willing to build and then become the sole proprietors of the 2,797 miles of the Canadian Pacific, the following terms: Subsidy in money per mile, \$10,000; 4 per cent. guarantee during 25 years per mile, on \$7,400; land subsidy, per mile, 20,000 acres. I say that the guarantee of 4 per cent. was on \$7,400 per mile, although the call for tenders did not mention the sum, but the Government could not give less, having themselves chosen that proportion in the Foster contract. That offer represented in round figures: in cash subsidy, \$27,970,000; by the net 4 per cent. guarantee, \$20,977,500; by 55,940,000 acres of land at \$2 an acre, \$111,880,000; or a total of \$160,827,500. That assistance was a complete gift for the building of the road, and we can compare it with similar items in the subsidy granted